Reference **document** 2012/2013

Manutan

All you need. **With love.**

Financial press release of 16 January 2014

2013/2014 Q1 turnover

In thousands of euros	31 December 2013	31 December 2012
Turnover like-for-like	149,168	158,725
Contribution of companies acquired during 2012/2013	7,049	
Contribution of companies acquired during 2013/2014	4,137	
Total turnover	**160,354**	**158,725**

During Q1 2013/2014, the Manutan Group's business underwent growth of 1% (up +2% at constant exchange rates) compared to the same quarter of the previous year. Turnover amounted to €160.3 million, compared with €158.7 million for the previous financial year.

The acquisitions undertaken (IronmongeryDirect in July 2013 and Ikaros in October 2013) enabled the Group to offset the fall of 6% (down 5.3% at constant exchange rates) in its historic scope of consolidation.

In terms of its operational areas, the Group's situation shows a diverse situation:

In thousands of euros	Turnover at the end of December 2013	Turnover at the end of December 2012
North	11,025	8,037
Centre	28,973	28,851
East	4,810	5,258
South	96,214	104,514
West	19,334	12,065
TOTAL	**160,354**	**158,725**

In local currencies	1st quarter	2nd quarter	3rd quarter	4th quarter	Financial year(1)
North	+40.2%				+40.2%
Centre	+0.4%				+0.4%
East	-4.5%				-4.5%
South	-7.9%				-7.9%
West	+66.4%				+66.4%
TOTAL GROUP	**+1.0%**				**+1.0%**

(1) In the North area's case, these growth rates reflected a favourable scope effect of 52.6% associated with Ikaros' contribution (-12.4% on a like-for-like basis), and +60.7% for the West area (+5.8% on a like-for-like basis) associated with the acquisition of IronmongeryDirect.

• On a like-for-like basis, all the Group's operational areas continued to stall in terms of their historic scope of consolidation, except for the West area which confirmed its return to positive growth with an increase of 5.8% (positive scope effect of +60.7%) not including the acquisition of IronmongeryDirect.

• Finally, it is worth noting that Overtoom International Belgium (Centre area) absorbed Manutan NV (South area) on 1 October 2013. By reprocessing the South area with Manutan NV's activities in 2012/2013, negative growth over 2013/2014 would be 5.6%.

Following the first quarter of the 2013/2014 financial year, the Manutan Group's business was boosted by the acquisitions, thereby enabling the Group to maintain turnover growth.

The present Reference Document was filed with the French Financial Markets Authority (*Autorité des Marchés Financiers*) on 31 January 2014, in accordance with Article 212-13 of its General Rules. It may be used in a financial transaction provided it is accompanied by a prospectus approved by the Financial Markets Authority. This reference document is available on the website of the Autorité des Marchés Financiers (AMF) at **www.amf-france.org,** and on the Manutan International website at **www.manutan.com.**
Pursuant to Article 28 of the European Regulation N° 809/2004, the following items are included in the present Reference Document:
• the consolidated financial statements, parent company accounts at 30 September 2010 and the Statutory Auditors reports relating to it, presented respectively in pages 82 to 134 of the reference document filed with the AMF on 31 January 2011.
• the consolidated financial statements, parent company accounts at 30 September 2011 and the Statutory Auditors reports relating to it, presented respectively in pages 84 to 136 of the reference document filed with the AMF on 31 January 2012.
• the consolidated financial statements, parent company accounts at 30 September 2012 and the Statutory Auditors reports relating to it, presented respectively in pages 92 to 139 of the reference document filed with the AMF on 31 January 2013.

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Our company is on the move; we are growing and investing

Despite uncertainties in Europe and a painfully slow recovery, we continued to invest in most of the areas that are key to our development and to increasing our results during the 2012/2013 financial year.
This was not easy, but we managed it, thanks to the efforts of all the Group's employees. Let's keep doing it!

A multi-channel strategy and a refocused organisational structure

We boosted our in-house sales teams, in order to raise our profile with companies that have over 50 employees Meanwhile, we are making significant investments in innovations in the e-business channel, which, as we would remind you, now accounts for over 30% of our revenues.

Our European organisation

The Group is implementing a major project to harmonise its processes on a European scale, and to roll out a shared Information System in all its markets. This will enable us to improve our operational efficiency and to optimise our organisational structure.

The first stage has already been successfully completed in Belgium; in 2014, this new ERP will be rolled out to the Southern European subsidiaries (Italy, Portugal and Spain), the Central European subsidiaries (Switzerland and Germany), followed by France in 2015.

Lastly, we are harmonising the Manutan brand at the European level, except for the specialist brands (IronmongeryDirect, Rapid Racking, Ikaros Cleantech and Sports et Loisirs). We will roll out our new identity in the Benelux countries as from 2014, and then across all our markets over a three to five-year period.

Promoting our values

Improving our tools and resources will not be enough. We also need to strengthen the mindset around a shared goal.

Our motto is to encourage responsibility, commitment, cooperation and fun within our teams. This is why 27 programmes have been developed at our University, in order to enable everyone to develop their skills and to make progress.

Highlights

Following the acquisition of Sports et Loisirs, which will extend our offering to local authorities by supplementing Camif Collectivités' offering, the Group acquired two specialists that will enable us to develop new product ranges in the United Kingdom (IronmongeryDirect), and in Sweden and Finland (Ikaros Cleantech).

Our results

Our revenues increased by 2.6% compared with the previous financial year. The acquisition of Sports et Loisirs and IronmongeryDirect enabled us to offset a contraction in some areas of our historical consolidation scope.

Our gross margin rose slightly, by 0.6 percentage point, resulting in current operating income that was above the previous financial year's, i.e. €41 million, or 7% of revenues (+11.4%). Lastly, our net income amounted to €23.3 million (around 4% of turnover).

Our outlook

Despite a certain level of economic uncertainty, which weighs on our decisions and complicates forecasts, we are probably beginning the 2013/2014 financial year with more optimism than last year. Our operating centres are perfectly managed, and we are ready to launch new product ranges shared by all the Group companies. All our teams are highly motivated, while the three new companies that we have recently consolidated will contribute to our Group's development.

I would like to express my sincere thanks to our Shareholders, Directors, Employees, and Partners for their contribution, which is key to our Group's operations.

Jean-Pierre Guichard,
Chairman of the Board of Directors

Presentation of the Group

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Over 45 years of history

1966-1986

Established by André and Jean-Pierre Guichard in 1966, Manutan was the first **French company in catalogue selling of industrial equipment.** Early 1970s, Manutan displayed its **European ambitions** with the establishment of subsidiaries in the United Kingdom (Key Industrial Equipment – 1973), Belgium (Manutan NV - 1974) and France (Bott – 1977). 1985 was marked by the **listing of Manutan on the Second Marché of the Paris Stock Exchange.**

1987-1997

In 1987, the Group began the **second phase of its European development** with:

- the establishment of subsidiaries in Italy (1987) and Germany (1988);
- the acquisitions of Witre AB in Sweden (1989), Witre A/S in Norway (1989), Overtoom, the market leader in the Netherlands and Belgium (1995);
- the start-up of Witre in Denmark via its Swedish subsidiary (1995), and of Manutan in Portugal (1996).

1998-1999

1998 was marked by **the creation of a new legal structure at the top of the Group.**

Manutan SA absorbed Manupar, the holding company of the Guichard family (Document E registered by the AMF on 2 July 1998 under number E98-300). In 1999, the French distance selling operations of Manutan were transferred to a subsidiary called Manutan SA. **The holding company was then renamed Manutan International.**

1999-2000

The Manutan Group then committed itself to the **third phase of its European development:**

- 1999: acquisitions of Plus s.r.o. in the Czech Republic, of Fabritec GmbH in Switzerland, and of Euroquipment Ltd in the United Kingdom, and establishment of Witre Oy in Finland.
- 2000: acquisition of Metro Storage Systems Ltd in Ireland.

2001-2005

In 2000, Manutan entered into **e-business** and defined the Group's Internet strategy.

A common technological communication platform for all Group companies was launched as early as 2001. **The first e-business merchant sites were started up and e-procurement solutions** were made available to Key Accounts. In 2003, the Group launched its strategy for the period to 2005 and designed its **first European-wide offer.**

In 2004, the Group **pursued its European ambitions.** The Group established operations in Spain, as well as in new members of the European Union, Poland, Hungary and Slovakia, under the Manutan brand. The Hungarian, Slovak and Polish subsidiaries are operationally managed by the Group's Czech subsidiary (formerly Plus s.r.o.).

2006-2009

The Manutan Group set up business in **Russia** (Moscow) in February 2007, and sent out its first Russian catalogue in October. The Manutan Group broke through the **symbolic €500 million turnover barrier** at the end of the 2007/2008 financial year. The acquisition of **Rapid Racking Ltd** in the **United Kingdom** in February 2008 strengthened the Group's presence in this area and enhanced its product offering.

In 2009, the Group increased its presence in the local authority market through the acquisition of **Camif Collectivités.**

2010-2012

The Manutan Group embarked on a new chapter in its history. Putting in place an integrated **organisational structure, strengthening its high ambitions for its business, and sticking closely to human values** will all be major cornerstones of the Group's development in the coming years.

In August 2011, the Group opened the doors of its **European Centre** in Gonesse (France), which symbolises the Group's uniqueness, its ambitions and its business, human, and environmental vision.

2012-2013

In October 2012, the Group confirmed its ambition to become a major player in the local authority multichannel retail market by buying **Sports et Loisirs,** the French market leader in sales of sporting equipment to schools, town halls and federations.

In July 2013, as part of its ambition **to broaden its product range and strengthen its footprint in the United Kingdom,** with its sights especially trained on the specialist customer segment, the Group acquired **IronmongeryDirect Limited,** an expert in delivering ironmongery products to tradesmen.

The first stage of the overhaul of the Group's IT system was completed successfully in October 2013, when the Group ERP was rolled out in Belgium (Manutan NV).

European multichannel retailer of a comprehensive range for businesses and local authorities

The Group is one of the major players in the French, Dutch, and Belgian markets. Today it comprises 25 operating subsidiaries(1) in 19 countries across Europe.

The Group has been applying its know-how as a multichannel retailer via catalogues, commercial websites, agencies and its sales force for over 45 years, in order to offer businesses and local authorities a range of handling, lifting, and storage equipment, industrial supplies, safety, hygiene and packing supplies, office, school and workshop furniture, mainstream equipment, supplies, consumables, ironmongery and sporting goods, together with a range of related services, in order to enable its customers to focus on their core business.

The Group sells around 200,000 stock items, and provides businesses and local authorities with solutions that are appropriate for their specific requirements.

A listed, family-run Group

Ever since the foundation of the Manutan Group, the Guichard family has focused on the company's expansion based on a long-term vision that underpins the Group's continued existence, and has relied on innovative concepts like distance selling, and the Internet, etc.

25 operating subsidiaries

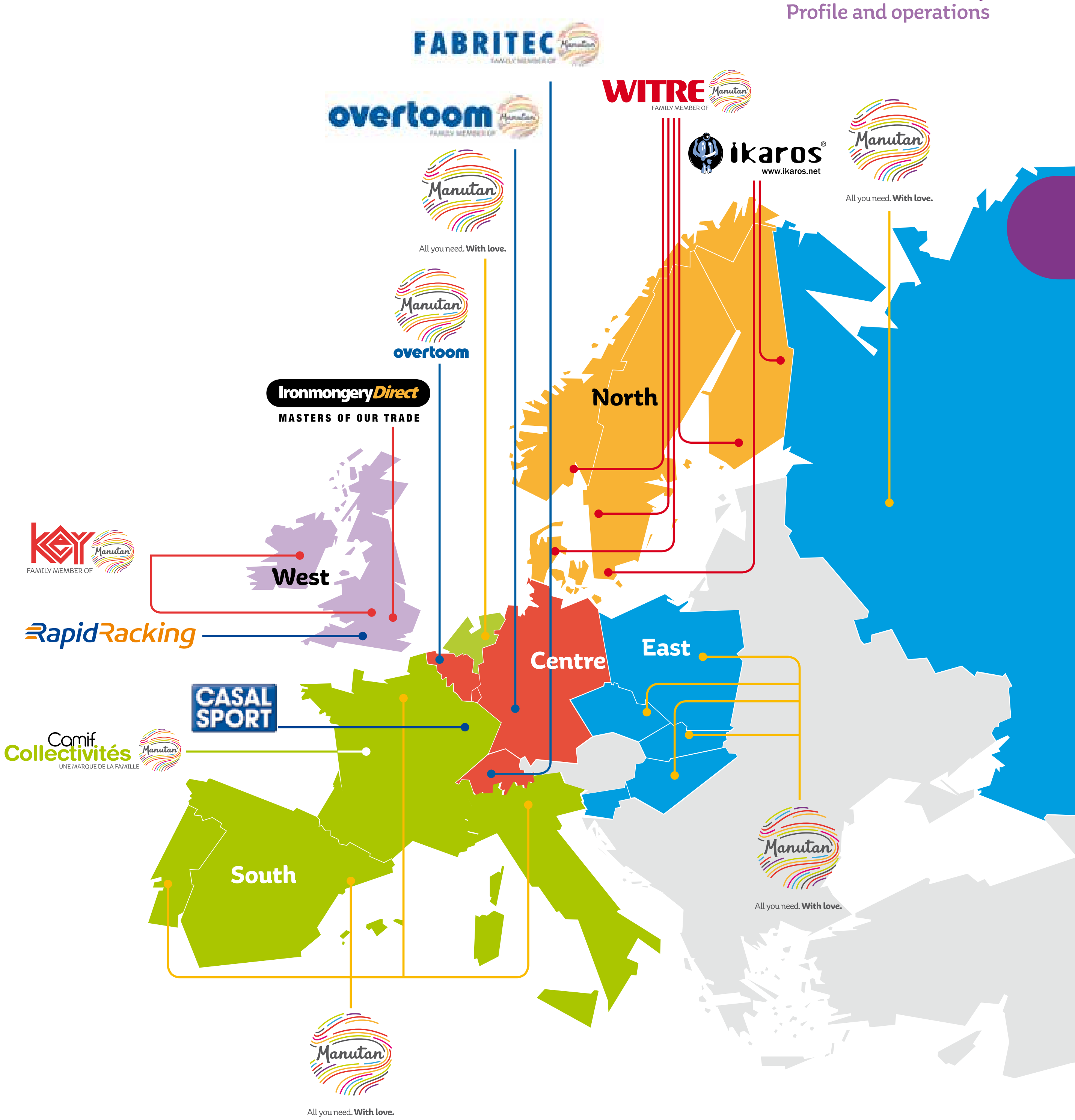
1,715 employees including **49%** women

200,000 items

19 countries

585.6(2) million euros in turnover

(1) Including Ikaros Cleantech which was acquired on 10 October 2013, after the year-end.
(2) The financial information in this document does not include the information for Ikaros Cleantech , which was acquired after the year-end.



Today, the Group is a European leader in multichannel retailing for businesses and local authorities. The advent of the Internet and its growth potential restate the relevance of this business model.

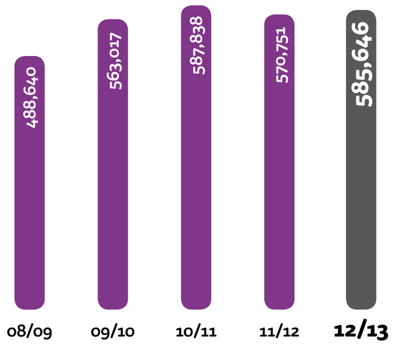
Every day, the Group's 1,715 employees go about their business with a constant regard for efficiency, added value, and responsibility to the company's partners (employees, customers, suppliers and shareholders).

The family-run structure, combined with a stock market listing since 1985 (Manutan International – the Manutan Group's parent company – has been listed on Euronext Paris since 1985 in the Eurolist – Compartment B segment) and the desire to perpetuate its independence, experience and high ideals with respect to management standards provide the Group with a wide range of strengths including strategic continuity, financial strength, staff empowerment and respect for individuals.

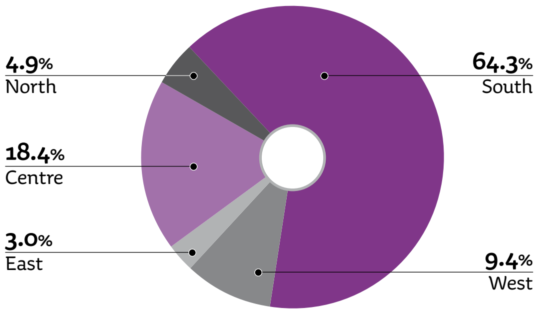
A solid financial position

CONSOLIDATED TURNOVER

5-year trend *(in thousands of euros)*

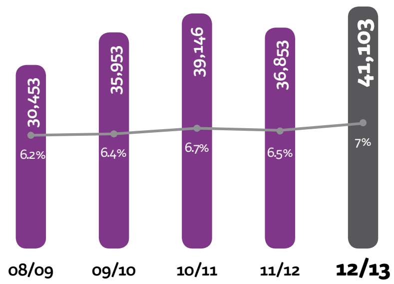


Breakdown by area *for 2012/2013*

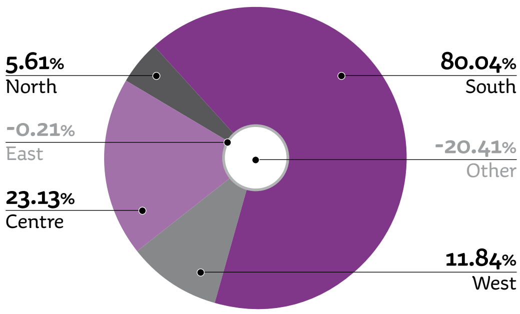


PROFIT FROM OPERATIONS

5-year trend *(in thousands of euros)*

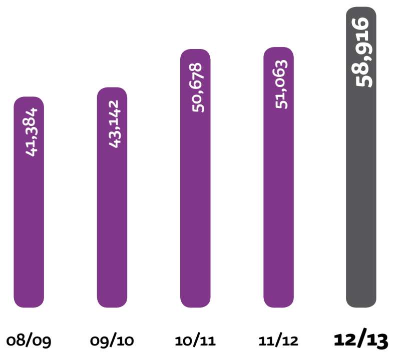


Breakdown by area *for 2012/2013*



EBITDA (1)

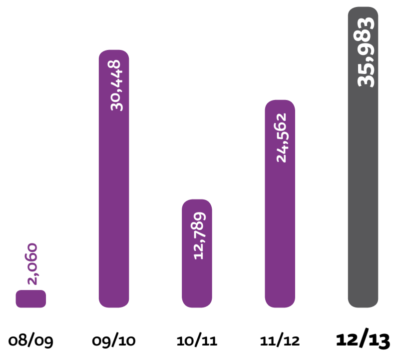
5-year trend *(in thousands of euros)*



(1) Profit from operations before interest, income tax, and impairment, depreciation and amortisation of fixed assets.

FREE CASH-FLOW (2)

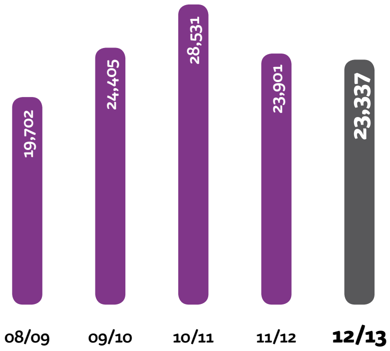
5-year trend *(in thousands of euros)*



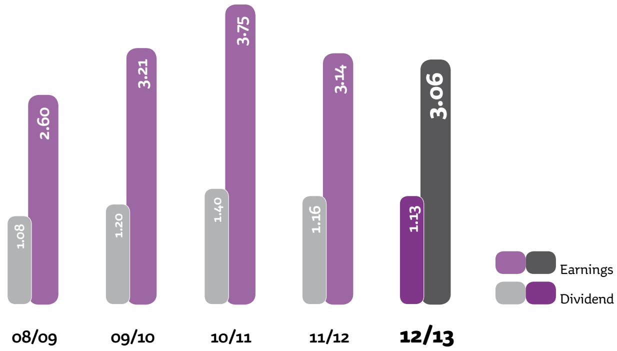
(2) After-tax cash-flow from operating activities and capital expenditure, before dividends.

NET RESULT

5-year trend *(in thousands of euros)*

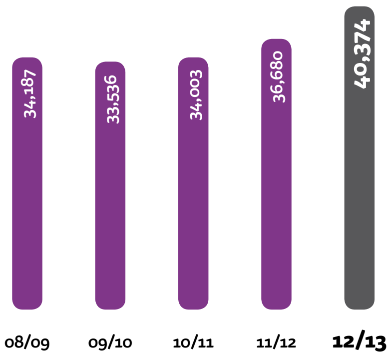


Net earnings per share and net dividend per share *(in euros)*



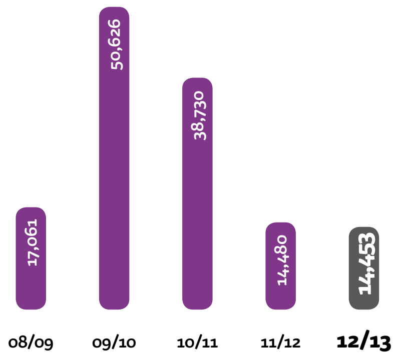
CASH FLOW

5-year trend *(in thousands of euros)*



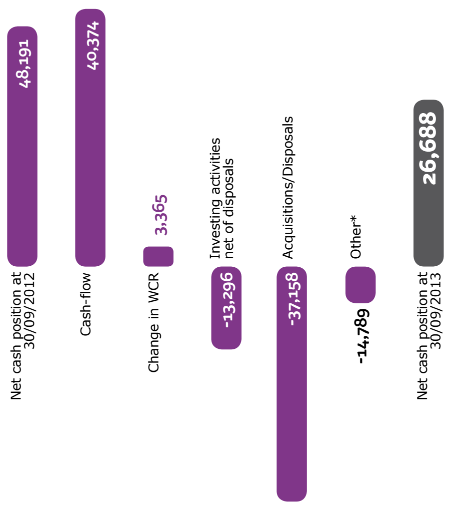
INDUSTRIAL INVESTMENTS

5-year trend *(in thousands of euros)*

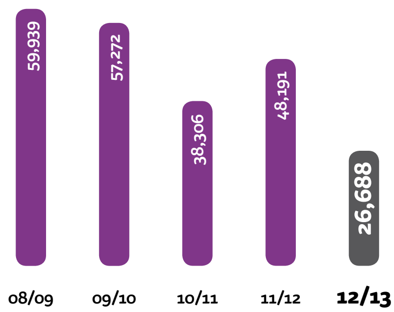


NET FINANCIAL ASSETS *(in thousands of euros)*

Breakdown



5-year trend**

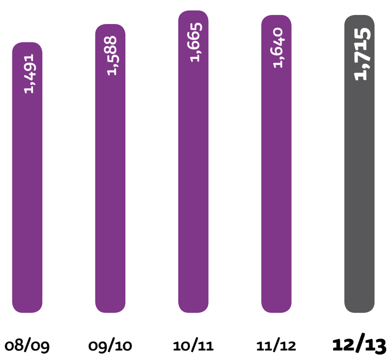


* Including dividends of €8.816 million.

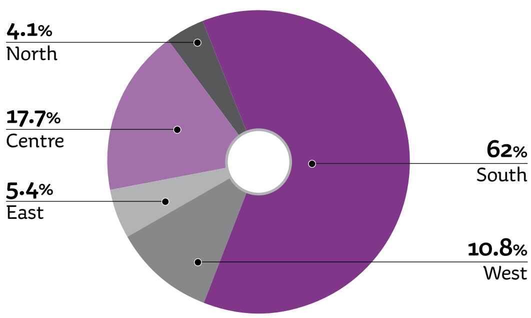
** The available cash flow is comprised of the balance sheet aggregates "cash and cash equivalents" and "marketable securities and current assets". The net available cash flow is calculated from the difference between net cash and financial debts.

AVERAGE WORKFORCE

5-year trend



Breakdown by area *for 2012/2013*



A unique market positioning

Our positioning: the strength of an industrial approach, which enables our customers to increase their efficiency, combined with a customised relationship "just like with a craftsman".

An unrivalled product range in Europe

From office supplies to tools, office furniture to school supplies, consumables to packaging and handling products, ironmongery and IT hardware to sports clothing and equipment...

The 25 Manutan Group subsidiaries market one of the broadest product offerings in Europe, to meet every possible need expressed by businesses and local authorities, regardless of their location and generalist or specialist structure.

The Manutan Group range comprises almost 200,000 items covering the products required by businesses of any size for their materials handling, lifting, storage, industrial supplies, safety, hygiene, packaging, office and workshop furniture, supplies and consumables needs, as well as furniture for hotels and restaurants, and educational, healthcare and sport materials for local authorities. This range, which is shared by all Group subsidiaries, is expanding on a regular basis. It is available on all markets in order to meet large companies' standardisation requirements.

Our teams work on a daily basis to offer real solutions combining selection, choice, speed and related services to our customers. The selection of products and services is one of the value-added aspects of the range offered by the Manutan Group to design competitive and reliable solutions, based on criteria such as innovation, quality, environmental standards, competitiveness and matching products to the needs of local markets.

The Group's marketing teams use their product and market expertise to create a broad-based offering tailored to customer expectations. They work closely with the Group's 2,000 suppliers, mainly in Europe but also in China.

The related portfolio of services supplements the overall offering. This includes warranties, after-sales service, express delivery, installation, online supply solutions, and so on.

On a daily basis the Group's 1,715 employees share the same ambition: "We want to become the standard-setting multichannel retailer for businesses and local authorities. We design and deliver competitive and reliable solutions based on select products and services, allowing our customers to focus on their core business."

Our territory: mainly Europe

The Manutan Group mainly markets its products and services in 19 countries throughout Europe where it has operations. However, it also has many customers in Africa, Asia and in the Middle East via the export activity of its subsidiaries.

Export activities in France, the United Kingdom and the Netherlands account for around 2.8% of the Group's turnover.

Our business: multichannel retailing

Our products are marketed via paper catalogues, the Internet, and sales teams, etc.

Our customers have the option to place their orders through various channels: telephone, fax, mail, the Internet or online solutions.

A storage area of

160,000 m²

in Europe

With a storage area of almost 160,000 m² in Europe, the Manutan Group has been a key player in the multichannel distribution market for businesses and local authorities for over 45 years.

• Its knowledge of the markets and the skills of its people make it a preferred partner for businesses and local authorities with respect to their equipment purchases.

• Its familiarity with multiple distribution channels currently enables it to offer its customers targeted solutions that are easy to access. The Manutan Group, a catalogue selling pioneer, has made use of this potential by making the Internet a major development channel.

• The marketing teams adapt the offerings according to the platform, in order to provide greater visibility for product and service solutions.

• The Group's sales departments serve customers by providing information, advice and assistance.

• The Group's know-how is reflected in its ability to manage its business operations effectively. Among its many fields of expertise are the profitable handling of thousands of orders each day throughout Europe, its storage capacity of almost 160,000 m² at its eight main logistics platforms (including the start of operations at its new warehouse, which is equipped with the best inventory-management tools available, in the Ile-de-France area in 2011), and the organization of outsourced transport services. This all adds up to a top quality service tailored to the needs of customers.

Our customers: every business and local authority

The diversity of the solutions offered enables us to deal with every kind of company and local authority, regardless of their size and their business.

• In the case of private companies, Manutan offers a general range that covers all the company's day-to-day operating requirements, which is supplemented by two specialised offerings in the United Kingdom: a racking and storage range offered by Rapid Racking, and an ironmongery range offered by IronmongeryDirect.

• Manutan also addresses all kinds of local authorities, from districts to regions, through the school furniture, and educational and healthcare equipment selection offered by Camif Collectivités, and through the Sports et Loisirs offering, which specialises in sports equipment and clothing.

Les entreprises et les collectivités apprécient l'approche
Businesses and local authorities appreciate the Group's multichannel approach for their recurring purchases (supplies and equipment, etc.). Eager to devote less time to purchase tasks, they know that these distribution channels are the ideal solution combining wide choice, speedy delivery and related services.

The range offered by the Manutan Group is intended for a diversified corporate customer base, from very small companies to multinationals, and for a diversified local authority customer base, ranging from municipalities to regions. The average value of an order is €450. Some 1,000,000 customers, from every economic sector, place their trust in the Manutan Group.
The Group adapts to their diversity and provides customised solutions. These include rationalizing costs and simplifying the purchasing process, loyalty programmes and online solutions, discount offers and tailored designs, and so on.

Our purchasing system: guaranteeing independence and quality

The Group is not dependent on any specific supplier. It operates exclusively in Europe, and buys virtually all its products from European suppliers. In addition, the portion of products purchased directly from China (less than 5% of total purchases) is strictly audited, including regular inspections of the manufacturing plants.

The quality of the products and services is a major concern: quality and safety are an absolute priority for the Group where all its products are concerned, including its own brands (Ekwo and R-source). From the point when the specifications are drawn up until delivery to the end-customer, a comprehensive system enables us to market safe and high-quality products.

Our markets: local services and growth

In-depth knowledge of markets is one of the chief strengths of the Manutan Group. This requires a tight focus on continual awareness of what is happening on the ground, achieved by listening to customers, suppliers and competitors. This is why the Group's European expansion has from the outset been based on a desire to be firmly anchored at local level and to take account of the unique features of each market.

The Group benefits from the expertise of local teams, and each country is responsible for its own customer policy, in keeping with the market and its specific features. The Group's integrated organisational structure enables experiences in the field to be shared and synergies to be identified. Shared services (product range purchasing and marketing, logistics chain, IT) and support departments (e-business, finance, human relations and resources, and communications) underpin local marketing strategies and the Group's overall development.

The Manutan Group operates in the European market for multichannel retailing to businesses and local authorities for all of their office and industrial equipment and supplies, with the exception of raw materials.

This market, valued at €300 billion for Europe alone (source: Manutan International), offers significant growth opportunities, further enhanced with the advent and constant development of e-business.

Manutan Group is a leading player in this market. Since its foundation in 1966, the Group has built up unique assets, such as its broad European coverage, the widest range of products and services offered in Europe, 600,000 customer addresses, a major position on the Dutch, Belgian and French markets, and a strong position in the United Kingdom, the Czech Republic, and Scandinavia.

Our competitors: a diverse range

The Manutan Group faces diverse competition as a result of its positioning, its large range of products and its extensive geographic presence. Its competitors are B2B distance sellers, but also, more indirectly, retail and/or wholesale outlets.

25
e-commerce websites

Through its 25 e-commerce sites, the Manutan Group has fully integrated e-business into its operations, recognising its importance as a growth avenue for turnover and as a differentiating feature.

In the multichannel distribution market, primarily via catalogue and the Internet, the most comparable players are TAKKT (German company listed on the Frankfurt Stock Exchange), Schäfer Shop (Germany) and AJ Produkter (Sweden).

The main specialist players with an industrial model that is similar to the Manutan Group's and that operate locally and/or in niche markets break down as follows in each area:

Office furniture and equipment
– JPG, JM Bruneau (France)
– Viking (USA)
– Neat Ideas (United Kingdom)
– Printus (Germany)

Health, maintenance and safety products and equipment
– Bernard (France).

Packaging supplies and equipment
– Raja (France).

Signs
– Seton (Royaume-Uni).

Range dedicated to local authorities
– UGAP public purchasing (France)

In the world of traditional industrial retailing, the Manutan Group competes with industrial hardware chains such as Descours & Cabaud, Rexel or Retif in France.

Lastly, a large variety of competitor offerings for business supplies is available over the Internet via e-marketplaces, exchange markets, brokers and traditional competitors' web shops.

The Group strategy and its outlook

A multichannel retail strategy combined with close attention to our customers' requirements supports the Group's goal to become the supplier of choice for companies and local authorities.

The Manutan Group's ambition

On the strength of its initial vision of distance selling as an innovative retail business model, the Group has restated its convictions for the years ahead:

• the roll-out of a multichannel strategy will enable the Group to develop distance buying, in all business sectors;

• this growth will be accelerated by strong customer desires to spend less time on non-strategic purchases,

• businesses and local authorities will prefer suppliers able to offer them integrated solutions to reduce their procurement costs.

The Group has the necessary strengths to benefit from these developments:

• proven multichannel distance selling expertise;

• one of the most comprehensive select offerings in Europe;

• solid strengths in e-business;

• operations in most European countries.

The Manutan Group thus asserts its ambition to become **the reference multichannel retailer for businesses and local authorities.**

Five business priorities

To achieve this ambition, the Group has defined five business priorities:

1 Emphasising the multichannel strategy through developing local relationships

The Group's aim is to capitalise on its various distribution channels, i.e. traditional paper channels (catalogues and leaflets), digital channels (the Internet and online solutions, etc.), sales agencies, and a mobile and sedentary workforce.

The Internet is one of the pillars of the Group's strategy.

It now amounts to a major distribution channel: with 25 e-commerce websites, the management of content involving several thousand items, and customised online procurement management solutions...

The Group now generates 30% of its turnover through this channel (excluding local authorities), and the web has become the leading driving force for attracting new customers. It intends to intensify this trend and build up its expertise to get further leverage from the Internet's potential through:

• the possibility of considerably expanding its online offering, with its ambition to become the reference supplier for its customers;

• unlimited market access, to help it acquire thousands of new customers at lower cost;

• stronger customer relationship through dedicated solutions;

• e-commerce launch with the new graphics application (Apple Store, Google Store);

• a far more interactive product and service presentation to shorten the distance between customers and products. In order to boost this strong development channel, the Group has developed a new e-business platform, which it began to roll out in 2011. Meanwhile, the Group is taking a series of measures to create partnerships with its customers. In this way, the Group is seeking to build tailor-made exchanges, regardless of whether they take place over the telephone, the Internet, or in a meeting. The aim is to build and maintain relationships on a day-to-day basis.

2 Strengthening the Group's "one-stop-shop" positioning

The Manutan Group has expanded via organic growth and recent acquisitions, and is now implementing a "one-stop shop" strategy.

All its businesses now provide a unique four-point solution for customers, through:

• pre-selecting appropriate products that make the customer's selection process easier;

• reducing order lead times for the customer;

• making the purchasing process easier by adapting it to the customer's decision-making structure;

• reducing the overall acquisition cost for the customer.

Moreover, the Group has changed its organisational structure, in order to improve the way it manages this expansion process and to extract maximum value from it. The aim, among other things, is not only to support the exchange of best practices and to stimulate sales growth in high-potential areas through better coordination, but also to drive and support cross-functional initiatives in key business lines, like the purchasing policy or the Internet business.

The Group will boost this strategy on the local authority market thanks to the acquisition of Sports et Loisirs, by offering a sports goods range in addition to Camif Collectivités' traditional range. The Group boosted its positioning with the craftsmen category via the purchase of IronmongeryDirect (UK).

3 Harmonising and broadening the product and services offering while optimising the Group's procurement process

The marketing teams are concentrating on listing new products and ranges, and on creating new services. The idea is to broaden our product and service offering in order to achieve our ambition to become the reference supplier. Innovation, proximity to customers, and the forecasting of needs will guide this approach. The challenge for the Manutan Group is to offer competitive products, tailored to markets and needs, while simultaneously reducing product acquisition costs.

Group subsidiaries benefit from optimized product acquisition costs because purchases are more frequent and in greater quantities. The Group also intends to intensify its procurement rationalization policy Today, the product offering includes around 7,000 common products, negotiated with around 60 Group suppliers, who represent more than 50% of the purchasing and make up the backbone of local offerings.

85% of the product offering was harmonised in the South and Centre Areas in 2014, while the offering in the Benelux countries was expanded by 50%.

4 Industrialising our growth model at the European level

The Group is building a European growth model by putting centralised functions in place, rolling out shared tools and exchanging best practices.

In particular, it is building a common global IT solution to manage all present and future activities throughout Europe. This is a highly structuring programme.

Its implementation is an opportunity to increase process optimization and share best operating practices throughout the Group.

Now that it has brought its warehouse and publication management systems on stream, together with the new e-business platform, the Group is seeking to rationalise its application portfolio, by streamlining processes and ERP system at the European level.

This industrialisation of the process will take place while maintaining the flexibility and ability to adapt that have been its strengths. It will further enhance the Group's operational excellence and the quality of the service provided to customers.

5 Making the Manutan brand a benchmark in Europe

In order to support the strategy drawn up based on the above priorities, the Group has launched an extensive programme aimed at managing its brands at the European level. This project, which was launched in 2011, will be carried out over several years. The initial research has resulted in the definition of a Manutan brand, which is intended to become European. This brand, which was designed on the basis of the corporate project, embodies values and commitments.

A new logo, which symbolises Manutan's environmental footprint, has been launched. However, subsidiaries that deal with specialists will retain their own brand.

The new logo embodies values like responsibility, diversity, and a desire to go further as a team. This brand identity brings Manutan up to speed with its era, and lays the groundwork for the Responsible Company of the future.

Investment policy

This information is provided in Paragraph 1.1 "Comments on the financial year – financial structure and investment policy" on page 82.

Risk factors

This information is provided in Paragraph 1.1 "Comments on the financial year – the issuer's risk factors" on page 88.

Social, societal and environmental responsibility

19 ● Our social commitments

27 ● Our societal commitments

29 ● Our environmental commitments

33 ● Report of the audit body

"Enterprising for a better world"

We believe that the company can play a role in helping Society move forward by making People and the Environment central to our priorities. By setting such noble goals as **responsibility** and **love,** we are keen to make ethics part of the company's backbone.

Conscious Business

Noble goals

The system in which we live is causing destruction and the exhaustion of natural resources, and is alienating human beings. A company that is aware must succeed in changing, or else disappear along with the system that shelters it: we must exchange "more" for "better".

We are imagining a company that:

• **respects human beings,** recognises each individual's potential and promotes cooperation;

• **protects the natural environment** by reducing its environmental footprint every day;

• **promotes quality rather than quantity;** our growth must take place within an ethical framework that respects everyone and the environment;

• **"creates value without ignoring values";** We must stop doing things just because we can or because it is profitable. As a company, and as human beings, our actions must be guided by a moral strength that is a match for our power;

• **encourages openness.** The company must establish goodwill all round and promote its ideas in the outside world, agree to discussions, and handle confrontation.

"SOMETHING THAT IS USEFUL AND IMPORTANT"

as the Little Prince would say to the Businessmen (Antoine de Saint-Exupéry).

The issues

To support the corporate project, Top Management has conveyed this goal based on unavoidable priorities for its corporate, social and environmental responsibility (CSR) approach:

Corporate culture

• Individual and collective **trust,** which is a crucial factor for being in control of our lives and building the future.

• **Teamwork,** which is key to overcoming individual interests that hinder overall success.

• A **management** that provides meaning and creates a favourable environment for everyone to develop their potential: full responsibility based on exemplarity, fundamental integrity, and a high level of modesty, in order to make shared progress.

• **Trustworthy and genuine relationships** built on constructive comments and active listening.

• **Excellence** in everything that we do: the competitive environment is an exciting first-choice game, and an ideal partner for excelling ourselves and achieving excellence…

• **An adventure pursued by a band of entrepreneurs:** this state of mind was behind the Group's foundation. The Manutan Group considers that the entrepreneurial approach fosters innovation and creativity. Taking the initiative and the right to experiment are encouraged in order to create a favourable environment for new ideas and for change.

Unconditional Responsibility

• Taking its wider environment and its Society-wide responsibility into account is an integral part of the Manutan Group's corporate strategy and long-term project.

“ TODAY’S COMPANY WIELDS GREAT POWER. THE TIME HAS COME TO GAUGE THE EXTENT OF ITS RESPONSIBILITY. ”

Hervé and Xavier Guichard

Every member of the Manutan team is invited to buy into this approach, and to acknowledge their share of responsibility for all their actions. Accordingly, Manutan’s men and women can become the authors of their own story, and contribute to the Manutan project on an individual and collective basis.

The resulting development of the company

• **Growing the business in a profitable way.**
This is not the Manutan Group’s ultimate goal, but a key way to achieve its corporate project.

Our CSR reporting methodology

The Manutan Group’s CSR reporting initiative is based on Articles L.225-102-1, R.225-104, and R.225-105 of the French Commercial Code.

Reporting period

Unless specified otherwise, the data gathered covers the period from 1 October in the previous year to 30 September in the current year. The data feedback takes place annually.

Scope

The main CSR indicators are published in the Group’s Reference Document every year, which can be viewed on the www.manutan.com website.

The social, societal and environmental data provided concerns all the business activities in the Group’s main markets in France, the United Kingdom (excluding the acquisition of IronmongeryDirect in July 2013), Belgium and Holland, unless specifically indicated otherwise. Overall, these geographical regions account for 89% of the Group’s business activities, and therefore provide a fair and reliable view of the data.

The consolidation method for the scope in question is global consolidation (the data are fully consolidated).

The Manutan Group operates exclusively in the European market. Although there are a few specific local differences, European countries present a certain degree of consistency in economic, social, cultural and environmental terms. The methodology and the definitions of the indicators are therefore identical across the scope.

Choice of indicators

The indicators are chosen in view of the social, environmental, and societal impact of the Group companies’ businesses, and of the risks relating to the challenges posed by the businesses conducted.

Consolidation and internal control

The data are collected on a pooled basis, or from each entity included in the CSR reporting scope, based on the following sources: extracts from the payroll management system, Excel monitoring files, and invoices etc. Meanwhile, the qualitative information is collected by the Manutan Group’s Management Team on a pooled basis.

External audits

Pursuant to the regulatory obligations imposed by Article 225 of the Grenelle 2 Law, and its application decree dated 24 April 2012, the Manutan Group has asked one of its Statutory Auditors to provide a report including a certificate relating to the preparation of the information that must be included in the Management Report, and a reasoned opinion on the fairness of the data published, as from the 2012/2013 financial year.

Non-applicable information required by the regulations

In view of the Group’s activities, some indicators were identified as not relevant. These indicators specifically include:

• land use;

• the consumption of raw materials and the measures taken to improve their efficient use.

Methodological limitations and particularities

• The workforce is calculated as the average monthly full-time equivalent workforce over the financial year.

• Recruitments and departures are calculated as the total number of full-time equivalent employees that arrived and departed during the financial year.

• The absenteeism data is calculated in calendar days.

• The data relating to workplace accidents reported by Manutan S.A. are calculated for the calendar year that corresponds to the beginning of the financial year.

• The training hours reported by Manutan S.A. include training hours included within the meaning of ongoing professional training, as calculated in the calendar year that corresponds to the beginning of the financial year, except for hours relating to occupational contracts for young people, and for the training hours delivered by the University, as calculated over the financial year.

Our social commitments

Employment

To provide an overall view and make the comparison with the financial data easier, the employment indicators include all the Group's areas.

Workforce

Workforce: average workforce (permanent and fixed-term contracts) expressed on a full-time equivalent basis over the financial year.

Workforce	2012/2013	Men	Women	2011/2012	Men	Women	2010/2011	Men	Women
North	69	36	33	73	39	34	76	39	37
Centre	304	219	85	324	228	96	326	230	96
East	92	43	49	101	57	44	96	50	46
South	961	410	551	895	375	520	934	488	446
West	186	113	73	160	99	61	170	108	62
Group	103	60	43	87	47	40	64	38	26
TOTAL	**1,715**	**881**	**834**	**1,640**	**846**	**794**	**1,665**	**953**	**712**

The increase in the South Area's workforce primarily relates to the acquisition of Sports et Loisirs in October 2012, and the increase in the West Area's workforce relates to the acquisition of IronmongeryDirect in July 2013, while the increase in the Group's workforce is due to the pooling of shared services at the European Centre (IT, Marketing of the Offering, and Purchasing).

In terms of outlook, the internal mobility policy illustrates the Group's desire to offer new opportunities to all of its employees to enable them to achieve their goal. This policy is aimed at promoting mobility not only within each of its subsidiaries but also among Group subsidiaries. This mobility is also more and more cross-functional: in keeping with this policy, Manutan France has set up "Try my Job" in order to try out a new job for a given period. This initiative enables everyone to find out about new responsibilities, to share experiences, to get to know one another better and to understand one another; it may also perhaps lead to a new career direction...

Personnel changes

Recruitments and departures: the recruitment and departure of employees is expressed on a full-time equivalent basis over the financial year.

	2012/2013		2011/2012		2010/2011	
Changes	Recruitments	Departures	Recruitments	Departures	Recruitments	Departures
North	4	7	0	3	11	0
Centre	45	64	19	20	51	50
East	12	21	26	21	22	10
South*	196	117	102	141	207	167
West**	72	47	6	16	43	40
Other	35	21	49	26	25	15
TOTAL	**364**	**277**	**202**	**227**	**359**	**282**

* Acquisition of Sports et Loisirs in October 2012.

** Acquisition of IronmongeryDirect in July 2013.

Area of improvement

for 2013/2014

- Providing a breakdown by age group at the Group level.

Recruitments include all new hires (permanent and fixed-term contracts). Every new Group employee follows an appropriate induction course, which enables them to try out the corporate project (the course lasts around one month for the main managers). Following an overview of the company and an introduction to the business lines, the new employee is responsible for their own integration. This is the beginning of an adventure: they will spend at least 15 days as a Logistics Technician, Cook or Gardener! Regardless of their future position, they will familiarise themselves with customer and supplier relations. In our view, it is important to take the time to understand the corporate project before taking up your new duties.

Departures include all departures relating to individuals, such as leaving a job, repeated absences, professional misconduct, theft, or termination as the result of incapacity, etc. It is worth noting that the Manutan Group did not make anyone redundant on economic grounds.

Remuneration

Remuneration and changes: includes remuneration and social security contributions, employee profit-sharing, the cost of temporary staff, and other payroll expenses.

Remuneration	30/09/2013	30/09/2012	30/09/2011
North	4,498	4,853	4,842
Centre	15,903	17,233	18,129
East	2,456	2,584	2,752
South	50,913	47,783	50,061
West	7,075	6,889	6,778
Group	13,366	11,914	9,142
TOTAL	**94,211**	**91,256**	**91,704**

The change in the payroll is consistent with the change in in the workforce. The Group's remuneration policy is drawn up in accordance with the corporate project, i.e. excellence in everything that we do, and collective performance. It is currently based on the following factors:

Fixed remuneration: fixed remuneration is linked to the level of responsibility. In the case of management positions and jobs where there is a shortage, it primarily relies on comparative sector-based surveys conducted by outside firms (2013 regional survey conducted by *Cité des entreprises de la VAD* and national 2013/2014 survey conducted by *Le Guide des Salaires*), and on internal consistency principles.

Individual variable remuneration: the purpose of individual variable remuneration is to reward the individual and collective performance of some of the teams.

• For the Top Management and direct teams, the variable portion of their remuneration, subject to the achievement of minimum performances, is calculated taking into account collective criteria.

For Group teams:

– the trend in the Group's revenues and pre-tax income.

For the Market teams, it is calculated based on an equal weighting of the following factors:

– the trend in the Group's revenues and pre-tax income;

– the trend in the revenues and pre-tax income of the Market concerned.

The items relating to the Group are set by the Appointments and Remuneration Committee once a year.

• In the case of the other individuals involved, primarily the sales teams, the individual targets are defined with their line manager once a year. In the corporate market in France, all the individuals that receive a variable remuneration component are dependent on collective criteria, namely the trend in revenues and pre-tax income (by market) for at least 50% of that remuneration.

Collective variable remuneration: the purpose of collective variable remuneration is to reward collective performance.

In the corporate market in France, a budget amounting to 7% of the Group's net income for the 2012/2013 financial year was shared by the employees, as the result of a specific collective remuneration agreement; one third of the budget was distributed on an equal basis, while two thirds was distributed in proportion to salaries to all the employees (around 600 people). The budget applies to all staff categories, and complies with current legal provisions, including in terms of the calculation of social security and tax contributions.

Area of improvement

for 2013/2014

• Introducing a consistent variable remuneration system that unites all the teams around the corporate project at the Group level.

Work organisation

Working time organisation

The organisation of working time is determined in strict compliance with the legal framework for each entity, and in accordance with the legislation and corporate agreements in effect in each country. As the Group operates exclusively in Europe, there are no major differences between the countries. The weekly working time therefore ranges between 34 hours (France) and 40 hours (United Kingdom).

Due to the strong business seasonality of the French local authority market, Sports et Loisirs and Camif Collectivités have introduced a working time system that includes slow (29 hours) and peak (46 hours) weeks, in accordance with the regulations and with the agreements of the employee representatives.

At the European Centre in France (564 people as at 30 September 2013), the number of employees voluntarily working on a part-time basis was 18 people in September 2013. Overall, 94% of the employees are on permanent contracts.

Absenteeism: number of days absence for employees on permanent and fixed-term contracts over the financial year.

Absenteeism, which is a business management indicator, and reflects employees' motivation, is monitored at all the Group entities. This indicator therefore includes all the Group's areas:

Number of days	30/09/2013	Illness and maternity	Family	Workplace accidents	Other
North	1,744	724	841	0	179
Centre	2,885	2,885	0	0	0
East	1,119	796	10	48	265
South	14,862	11,443	2,272	608	539
West	772	712	46	9	5
Group	820	724	59	18	19
TOTAL	**22,202**	**17,284**	**3,228**	**683**	**1,007**

Number of days	30/09/2012	Illness and maternity	Family	Workplace accidents	Other
North	2,849	1,308	1,218	0	323
Centre	3,201	3,178	0	23	0
East	877	633	7	0	237
South	15,968	12,432	1,388	1,505	642
West	564	502	52	0	10
Group	405	347	33	0	25
TOTAL	**23,864**	**18,400**	**2,698**	**1,528**	**1,237**

Number of days	30/09/2011	Illness and maternity	Family	Workplace accidents	Other
North	1,552	992	300	0	260
Centre	4,956	4,956	0	0	0
East	1,616	1,453	0	0	163
South	16,572	11,883	2,886	1,081	722
West	641	541	99	0	1
TOTAL	**25,337**	**19,825**	**3,285**	**1,081**	**1,146**

Social relations

Organisation of employee relations

The Management Teams for each entity are responsible for determining their employment policy, in coordination with the common basis defined by the Group's HRD, which is based on developing an (economic, social and environmental) culture, and on committing to the corporate project presented in the introduction. The determination of human resources policies is based on regular dialogue with social partners:

- in France, Manutan maintains an ongoing dialogue with four representative trade union organisations, and holds discussions with a total of over 70 elected representatives within the representative bodies;
- in keeping with the principles defined by the Group and in accordance with the local environment, employee relations at foreign subsidiaries are managed by the various Top Management Teams.

“THE REAL REVOLUTION IS THE ONE THAT MAKES US CHANGE IN ORDER TO CHANGE THE WORLD.”

Pierre Rabhi

Review of collective agreements

The collective agreements are summarised in the table below:

Subject	Scope	Signature	Frequency	Comments
Mandatory Annual Negotiations	ESU Manutan Camif Collectivités	October 2012 December 2012	Yearly	
35 hour week agreement	Manutan International. Manutan SA	August 2000 December 2000	Unspecified	
Working time adjustments	Camif Collectivités Sports et Loisirs	April 2011 January 2000	Unspecified	
Voluntary part-time work, and Working Time Savings Accounts	Manutan France	December 2011	Unspecified	
Group committee	ESU Manutan Camif Collectivités	September 2010	Unspecified	
Establishment of ESU Manutan	Manutan International, Manutan SA, RIE (Inter-Company Restaurant)	April 2011	Unspecified	
Professional equality between men and women	ESU Manutan Camif Collectivités Sports et Loisirs	December 2011 January 2012 In progress	Every 3 years	
Seriously ill children	Camif Collectivités	January 2012	Unspecified	
Inter-generational agreement	ESU Manutan	November 2013	Every 3 years	
Extension of the Remote Selling Collective Bargaining Agreement	ESU Manutan	March 2012	Unspecified	
Job and skills planning (GPEC)	ESU Manutan	March 2012	3 years	
IT constraints	ESU Manutan	August 2012	Unspecified	
Employee Savings Scheme and Corporate Retirement Savings Scheme	ESU Manutan	September 2012	Unspecified	
Non-mandatory employee profit-sharing	ESU Manutan	December 2013	Unspecified	Payout of 7% of the Group's net result
Profit-sharing plan	Camif Collectivités	March 2011	Every 3 years	Criteria: turnover, margin and customer acquisition
Inter-Company Restaurant	ESU Manutan	June 2011	Every year	100% in-house restaurant
Anti-Harassment Charter	Manutan France	September 2006	N/a	

Health and safety

The Group launched an initiative to improve the safety and physical health of its employees several years ago.

Health and safety conditions in the workplace

Manutan aligns its accident prevention approach with its employee relations. A Workplace Health and Safety Unit was set up in France in 2010. This dedicated organisation enables the management of action plans and the identification of risks that are specific to the Group's businesses. Two specific studies have been conducted, one on harsh working conditions (2011) with an ergonomics expert from the French Inter-Professional Department for Musculo-Skeletal disorders, and one on acoustics (2012), with a health and safety engineer from the Inter-Professional Health Department, which primarily focused on the logistics activities; neither study identified any deviation from the standards in effect.

The opening of the Group's new European Centre in Gonesse (France) in 2011 has provided an opportunity to review and make further improvements to workstation ergonomics as well as health and safety practices for almost 600 employees of the Group. This facility, which was designed according to an HEQ (High Environmental Quality) approach, puts quality and wellbeing at the heart of the workplace environment: the 9,500 m² administrative building is built around a patio planted with trees, and hosts 360 people; great insulation thanks to triple-glazed façade and built-in window blinds.

Furthermore, the Sports Centre, which is a key feature of the European Centre, enables people to exercise regularly in an area of 1,000 m², depending on their aptitude. With the support of specialist coaches, everyone has access to the Centre, in order to gradually develop their potential, and to aim for a balance between "body and mind".

Review of collective agreements

To guarantee the good physical condition and protect the mental health of its employees as part of their professional activities, Manutan is introducing an Anti-Harassment Charter in France. After interviewing the parties involved, the "Workplace Harassment Mediation Committee" seeks to find amicable solutions to disputes, without issuing an opinion on the legal classification of the events reported to it.

Because everyone has great potential, Manutan is determined to set up an organisation that is responsible and conducive to its employees' development, thanks to managing people in a way that makes sense, and uniting teams around an ambitious project.

From a practical standpoint, Manutan is committed to reducing management levels, in order to promote the taking of initiative, independence and development among all its employees.

Workplace accidents: number of workplace accidents with at least one day off work.

Frequency: number of workplace accidents with at least one day off work for one million working hours.

Seriousness: number of days off work for one thousand working hours.

	30/09/2013			30/09/2012			30/09/2011		
Workplace accidents	Number with > 1 day off work	Frequency rate	Seriousness rate	Number with > 1 day off work	Frequency rate	Seriousness rate	Number with > 1 day off work	Frequency rate	Seriousness rate
France*	25	12	0.3	36	16	0.4	30	15	0.3
Netherlands	2	4	0	0	0	0	1	2	0
UK	3	10	0.1	2	6	0.1	3	9	0
Belgium	2	16	0.1	0	0	0	0	0	0
TOTAL	**32**	**11**	**0.2**	**38**	**12**	**0.3**	**34**	**11**	**0.2**

*The data for Manutan France are recorded over the calendar year.

In addition to a proactive policy aimed at guaranteeing safety at the company, and particularly at the warehouses, the Group compares its data with other companies in the same sector: Manutan's performance was actually better than the average performance for the sector over the past three years (remote selling data for 2010, 2011, and 2012).

Training – Manutan University

To garner the means to achieve its goals, the Group has set up its own University (on three floors, with a dedicated surface area of over 1,000 m2 in Gonesse), and spends significant amounts on training (over 2.2% of payroll expenses for Manutan France, for instance). As part of the corporate plan, the Manutan University creates the conditions to help those who want to make progress towards realising their full potential.
To achieve that aim, the University features a Sports Centre and a Cultural Centre. The Manutan University is open to every employee, irrespective of age, position and status within the company.

Mission of the Sports Centre

• Regain confidence through exercise: as a result of a desk job, our mental and physical health is often the first to suffer from a lack of exercise. Restoring confidence through regular physical activity can be achieved thanks to a varied range of activities available at every different level.

• Improving self-knowledge to achieve progress: the main aim of the Sports Centre is to offer a range of programmes encouraging self-knowledge and transformation through experimentation and continual soul-searching. These programmes are built upon three of the means of expression possessed by human beings: thought, emotions and willpower.

Area of improvement

for 2013/2014

• Setting up new programmes that are accessible to all the Group's employees, and help support the corporate project.

• Continuing to make the training programmes more international.

• Assessing the efficiency of these programmes.

Mission of the Cultural Centre

The Cultural Centre was set up to promote access to culture and art for all company employees by seeking ways of giving them new or renewed thirst for knowledge. The Cultural Centre offers the following activities:

• a multimedia library to stimulate the grey cells with inspiring templates, as well as a range of books and films to encourage people to grow and bring out the best in themselves;

• cultural activities, based on the cinema, the arts, literature and meetings with authors;

• artistic projects, helping people to discover, share and appreciate art.

Programmes

Because the Manutan corporate plan is unique and because the company's employees are our top priority, we design and offer a range of made-to-measure programmes through the University.

All programmes feature an innovative approach and are in line with the company's plan.

The Group specifically implements a broad "ongoing improvement" programme, in order to improve the quality and effectiveness of activities at the company, by placing "human beings" at the heart of the system.

Training: number of training hours.

Training hours	30/09/2013 Total	30/09/2012 Total	30/09/2011 Total
France	13,255	11,193	18,394
Netherlands	784	264	506
UK	1,440	1,250	1,000
Belgium	626	165	290
TOTAL	**16,105**	**12,872**	**20,190**

Equal treatment

Anti-discrimination policy

Given the diversity of its businesses, the background of the people hired, and the number of employees, the Manutan Group is involved in combating all forms of discrimination. The Group's main action areas are social origin, gender, disability, age, sexual orientation, and religious diversity. One of the guidelines of our human resources policy is to respect every individual for what they are, so that our differences make a difference.

Equality between men and women

The Group's aim is to boost gender equality thanks to an active policy in this area.

In France, agreements on professional equality between men and women have been negotiated between Manutan and Camif Collectivités and our social partners, while action plans have been implemented. The priority areas primarily involve training, promotion, and the balance between professional life and family responsibilities, and include:

• programmes dedicated to women within the Manutan University, such as "Reveal your inner beauty" (2012);

• the availability of 20 cribs for employees at the European Centre since 2011, as part of an inter-company crèche located in the same business area.

Area of improvement

for 2013/2014

• Boosting the internal promotion and external hiring processes in order to increase the percentage of women in management, which is currently very male-oriented (67% at the European Centre).

• Developing a major new programme at the University, in order to create the conditions for women to be promoted, and for them to find "their" place at the company.

Initiatives to help young people and seniors

The Group employed over 100 young people aged under 30 at 30 September 2013, and employed over 19 people on work-study programmes in 2013. The Group relies on an ongoing talent monitoring. As part of this process, there has been a full-scale roll-out of evaluation tools at every level of the company: annual interviews and "people reviews" per department are part of the system for continuously identifying talents. These tools have enabled the introduction of greater objectivity and improved customisation into career management, remuneration and employee recognition decisions. The Group employed more than 77 seniors aged over 50 at 30 September 2013.

In France, agreements relating to keeping people aged over 55 in the workforce were negotiated in 2009. The priority areas primarily involve improving working conditions and preventing harsh working conditions,

Area of improvement

for 2013/2014

• Setting up partnerships with educational institutions, and organising a forum to provide an overview of jobs at the company.

• Providing a specific programme for young people at the University, in order to create the conditions for integrating and promoting them within the company.

• Implementing inter-generational agreements, in order to enable young people and seniors to be promoted within the Group.

developing skills and access to training, and managing end-of-career periods and the transition between work and retirement.

An agreement on the French Generational Contract, which would replace the agreements regarding senior employees, was under negotiation at 30 September.

Employment of disabled people

When dealing with disability, ignorance and the fear of doing the wrong thing create barriers. Difference surprises and disturbs us. It leads us to question our own fears, the attitudes to adopt, and the behaviours to encourage.

Some Group subsidiaries have relied on certifying bodies in order to enable them to increase their commitment or to publicise it:

• In France, following a two-year partnership with the AGEFIPH (French fund management organisation for the integration of the disabled), Manutan manages its Disability Policy on a stand-alone basis. This year again, the company focused its initiatives on supporting disabled people and keeping them in work, and on raising employees' awareness of the issue via its internal communications. These communications aim to make people more aware of various kinds of disability, and to make them understand that someone can be temporarily disabled. Recognising disability enables everyone to be supported as much as possible by adjustments to their work station, to their working hours and to training initiatives. Disabled workers accounted for 4% of the workforce in 2012, against a goal of 6%.

• In the Netherlands, Manutan has set up partnerships with three specialised schools that support young people with learning difficulties. Our local entity is hosting four students, in order to enable them to familiarise themselves with the world of work.

• In England, Rapid Racking has been recognised as "Positive About Disabled People" since 1999.

• Lastly, Manutan France and Camif Collectivités entrust some of their business activities to ESATs (French Institutions and Services for Work-Based Assistance) on a priority basis.

Area of improvement

for 2013/2014

• Assessing the performance of the anti-discrimination initiatives implemented by the Group, and specifically the percentage of women in management, and the number of disabled people employed by the Group.

Promotion of and compliance with the ILO's Core Conventions

The Group is committed to complying with the principles set out in the International Labour Organisation (ILO)'s Declaration on principles and fundamental rights in the workplace. It is committed to complying with national and local employment regulations regarding the minimum employment age, the prohibition of forced labour or abusive disciplinary practices, non-discrimination, freedom of association and the right to collective bargaining, working hours, remuneration, and health and safety.

Our societal commitments

Regional economic and employment impact

From a regional employment and development standpoint

The fact that the European Centre has actually been located in Gonesse (Val-d'Oise) for over 40 years, at the centre of a region that is having to face undoubted employment problems, is the symbol of the Group's determination to enable people who have low qualifications, for instance, to join the corporate world in order to contribute their full potential.

Around 17% of the European Centre's employees live locally (Gonesse and Aulnay-sous-Bois Districts).

From the standpoint of neighbouring or local residents

The Group's businesses are mostly located in the suburbs of urban areas (Paris, Amsterdam, Southampton, Göteborg, and Ostrava, etc.), in business areas that are suited to logistics activities, which require storage space. The impact on neighbouring and local residents is very limited.

Area of improvement

for 2013/2014

- As part of its catering activities, which are entirely sourced in France for the European Centre, the Group aims to prioritise procurement from small local producers in the Val-d'Oise and Seine-Saint-Denis Departments.

Maintaining long-lasting and transparent relationships with stakeholders

The Group has sought to strike up a regular and constructive dialogue with its local and national stakeholders in every country where it operates, for many years. It prioritises an open and qualitative dialogue, where the aim is to develop and set up innovative projects or partnerships on a joint basis. The dialogue is conducted in different ways depending on the stakeholders, both at the level of each entity and at the Group level.

Area of improvement

for 2013/2014

- Developing the recognition of the Manutan Group around the corporate project, thanks to appropriate external communications.
- Setting up new partnerships with our customers and suppliers, primarily based on CSR commitments.

Examples of stakeholders:

Stakeholders	Main forms of dialogue
Employees	– Quarterly in-house magazine (Imagine) – Group (MLife) and local intranets – 13 display screens spread throughout the European Centre – Plenary meetings: meetings between Top Management and all employees
Social partners	– Regular discussions with employee representative bodies (WCs, employee representatives, and HSWCCs) – Company agreements
Shareholders, investors	– Two financial community meetings held at the publication of the annual and half-yearly results. The Group reports on its performances and activities in press releases, which are published in the financial press and which may also be accessed on the Group's website at www.manutan.com. – The reference document offers a detailed presentation on the Group including financial and stock market information. It is available in both English and French, and may be accessed on the Group's website.
Customers	– E-commerce and corporate websites – Social networks – Customer surveys
Students and young graduates	– Taking part in forums
Suppliers	– The Group ensures that a Sustainable Development Charter is signed alongside each of its Group supplier agreements. This Charter covers the protection of the environment, human rights and working conditions, and aims for a joint improvement in practices. 57% of suppliers signed it, i.e. 68% of procurement turnover.
Public authorities and local authorities	– Member of the Val-d'Oise Corporate Movement Organisation
Partners	– Partnership with Grégory Gautier, the French number one squash player

Outsourcing and suppliers

Taking account of social and environmental issues in the purchasing policy

Given its business as a distributor, the Group's social responsibility approach is not limited to its in-house practices, but also factors in risks and issues relating to its supply chain. The Manutan Group operates exclusively in Europe, and buys virtually all its products from European suppliers, which significantly reduces the risk of a breach of the ILO Core Conventions. Nonetheless, a stringent audit is performed on the portion of the products directly purchased from China (less than 5% of total purchases), including regular inspections of the manufacturing plants.

The importance of sub-contracting, and of taking suppliers and sub-contractors' social and environmental responsibility into account when dealing with them

The Group seeks to decrease its use of temporary personnel. Nevertheless, using these workers enables the Group to meet demand during seasonal peaks in business activity.

Temporary staff costs accounted for less than 2.2% of the Group's total personnel costs.

As a general rule the Group does not use outsourcing. For some business activities that are not core business lines, such as transportation, and in order to improve efficiency, the Group has developed partnership agreements with external specialists.

Fair practices

Measures taken to combat corruption

The Group's Internal Control Unit conducts campaigns to raise awareness among all the Group's subsidiaries. It makes itself available to them to help them in their review process when drawing up and implementing their anti-corruption action plans.

Measures taken to promote consumers' health and safety

The Manutan Group has the project of "Enterprising for a better world". The goal of the Manutan Group, as expressed in its tagline "All you need. With love", is to provide its customers with the widest possible offering and related services, by developing long-term relationships based on transparency and truthfulness.

The quality of its products and services is a major concern for the Group.

The quality and safety of all its products, including its own brands (Ekwo and R-source) is an absolute priority for the Group. A system enables the marketing of safe high-quality products, from drawing up their specifications up until delivery to the end-customer. The Purchasing Department guarantees the quality of the products and ensures customers' safety.

Area of improvement

for 2013/2014

- Rolling out a Group Quality Charter in order to strengthen partnership ties with suppliers; and incorporating the Business Ethics Charter as a benchmark for the main suppliers.

Other

Measures taken to promote human rights

The Group has committed to complying with the principles set out in the Declaration of Human Rights.

Our environmental commitments

General policy

Taking its wider environment and its Society-wide absolute responsibility into account is an integral part of the corporate project mentioned in the first part. This is undoubtedly the major challenge facing the Manutan Group, and perhaps today's society.

The priorities identified by the Group involve:

- reducing greenhouse gas emissions (GGEs);
- improving energy-efficiency;
- reducing and recovering waste. Because the Group is garnering the resources to match its ambitions, the European Centre is now the emblem of its commitment to the environment: 13.5 hectare area, 41,000 m² of warehouses, 9,500 m² of offices, a University, a company restaurant, a sports complex, a concierge service and… a cultivated garden, all certified HEQ; this is one of the first sites of this scale in France.

Organising the Company in order to take environmental issues into account

The Manutan Group implements a proactive environmental policy. To prevent and manage the environmental risks posed by the Group's business activities, the Health, Safety and Environment (HSE) Unit manages environmental priorities, and facilitates the sharing of best practices and the monitoring of action plans. This unit implements an ongoing improvement approach to the Group's environmental policy, by relying on dedicated working groups.
In France, a cross-divisional volunteer team, known as "DareDare" aims to improve environmental protection.

Developing certification initiatives

The Group encourages its entities to launch certification initiatives whenever they add value. Accordingly, several large Group companies have had their business activities certified, primarily in the environmental field.

Moreover, the Manutan Group's European Centre, which brings together almost 600 people, has "High Environmental Quality" (HEQ) certification. The HEQ standards involves both limiting the site's impact on its environment and the comfort of its users. Built in Gonesse (Val-d'Oise Department, France) and opened in August 2011, this site is one of the first in France to have obtained a double HEQ certification, both for its logistics building and for its ancillary facilities.
The solutions adopted on site include geothermal heating and heavy-duty insulation as systems for regulating the buildings' temperature in order to limit energy consumption.

Area of improvement

for 2013/2014

- Beginning the ISO 9001 and 14001 certification process in the Netherlands, the Group's second largest market.

Certifications	ISO 14001 version 2000	HEQ	ISO 9001 version 2000
Manutan – Key (United Kingdom)	X		X
Centre européen (France)		X	
Manutan (France)			X
Manutan (Czech Republic)			X
Manutan – Witre (Scandinavia)	X		X
Camif Collectivités (France)	X		X
Rapid Racking (United Kingdom)	X		X

Offering and promoting environmentally responsible products

Selecting quality products has always been the focus of the Group's concerns. At Camif Collectivités (France), a project involving an eco-friendly furniture range for the very young was launched in 2012 via the "Lili" range, which is being developed with the ESAT (vocational rehabilitation centre) in Aiffres (Deux-Sèvres Department). This partnership is in keeping with a practical approach to sustainable development, at the environmental, social, and local level.

The "Lili" range aims to be fun, ergonomic, and even safer and healthier for children. It prioritises the reasonable use of natural resources with the use of wood, which is less toxic and less fragile when used. It contributes to the quality of the indoor air quality in facilities that welcome very young children, since it consists of materials that emit a low level of volatile organic compounds (VOCs) and of panels with low formaldehyde emissions, which go well beyond the regulatory requirements (French Crèche and Environment Standards, etc.).

Raising employees' awareness

Since employees are in the front line of the Group's environmental policies, many initiatives are organised to raise their awareness of sustainable development.

In addition to announcing news on its "M-Life" Intranet site on a regular basis, the Group publishes an internal magazine, *Imagine*, which places a major emphasis on issues relating to the natural environment.

In France, for instance, Camif Collectivités and Manutan take part in Sustainable Development Week (a national week-long event suggested by the French Ministry of the Environment and Sustainable Development).

They organise entertaining, friendly and educational events on their premises, in order to explain eco-friendly behaviour and the company's environmental approach, and to drive the process internally.

Moreover, initiatives to raise awareness of eco-driving are conducted at various companies (Scandinavia, Camif Collectivités, and Manutan France), and extend to a company policy for employees who benefit from a company car (Witre).

Lastly, the concierge service at the European Centre makes areas for sorting and recycling batteries and light bulbs available to all the employees, working together with environmental bodies accredited by the French Government, which are responsible for recycling them.

Amount of provisions and guarantees for environmental risk

A "pollution and damage to the environment" guarantee is included in the Civil Liability policy, in order to cover the company against potential environmental risks. The Group made no provisions and paid no compensation in this respect during the financial year.

Pollution and waste management

Measures for preventing, reducing, or remedying discharges into the atmosphere, water, and soil that have a serious impact on the environment

At the European Centre site in Gonesse, France, the plants were chosen in accordance with their ability to absorb hydrocarbons along the access roads used by trucks, in order to avoid soil infiltration. Accordingly, two ditches run throughout the length of the site to make the process more effective.

In France, company cars are chosen based on their CO_2 emission rate, which must be less than 125 g. Furthermore, a hybrid car is offered in each category.

Measures for recycling and preventing waste

The main types of waste generated by the facilities are cardboard, plastic and paper. Almost all the subsidiaries in the Manutan Group have implemented a waste sorting and recycling strategy according to the local regulations. In Netherlands, for instance, 50% of the packaging received from suppliers is re-used internally.

Upstream action has also been taken to avoid or reduce waste generation. For example, electronic billing is becoming increasingly widespread within the Group.

Customers in the Netherlands, in France and Rapid Racking's customers in the United Kingdom now have the option of choosing tax-compliant e-billing. In the Netherlands, 41% of invoices are now sent via email, while the rate at Rapid Racking is 80%.

The catalogues for a large part of the Group – over one billion pages (1,500 tonnes of paper, or the equivalent of 70 truckloads) – are produced on environmentally-certified paper, which guarantees that:

• the wood comes from sustainably managed forests (at least three trees are replanted for every tree felled, the use of GMOs is prohibited, and there is a requirement to preserve dead trees in order to encourage biodiversity, etc.);

• the implementation of a chain of control aimed at ensuring traceability and reliability from the forest to the finished product.

Furthermore, the Group's main paper supplier has implemented the following initiatives:

• 90% of the water consumed is filtered and returned to the environment;

• less chlorine, and fewer CO_2 emissions;

• energy-saving programmes, including the use of biofuel;

• transport by rail or river.

Lastly, the Manutan Group has committed to:

• printing at plants that guarantee a high environmental quality (plant-based inks, water recycling programmes, and generation of their own power, etc.);

• choosing thinner paper (35g), which enables a reduction in the amount of paper consumed (less transport, and fewer raw materials);

• using style sheets that are appropriate for reducing the use of ink, and smaller formats (optimised paging);

If a catalogue could not be delivered, it is sent to another customer.

Furthermore, the default setting for all the installed multi-function printers in France is double-side black and white printing.

Lastly, the price of a coffee or other hot drink at the European Centre is lower if you use your own mug rather than a plastic cup from the automatic vending machine.

Taking noise nuisance and any other pollution specific to a business activity into account

Noise nuisance is limited: the warehouses are open between 7.00 am and 7.00 pm, goods are delivered in the morning, and deliveries to customers are made during the day on business days. Regular acoustic studies are performed inside the warehouses, and especially near the areas where products are loaded onto and unloaded from trucks. They have never shown higher recorded levels than those admissible by the standards in effect.

Sustainable use of resources

Water consumption and supply depending on local constraints

The Group's activities mostly consume water from district supply networks, primarily for domestic uses. The rain water at the European Centre in France is re-used in the sanitary installations in order to reduce water consumption.

Water consumption

Data for the Group as a whole and by area:

Water consumption (m^3)	30/09/2013	30/09/2012	30/09/2011
North	447	480	520
Centre	1,875	2,054	2,019
East	2,005	2,334	3,258
South*	11,870	8,738	13,200
West	2,334	1,599	2,478
TOTAL	**18,531**	**15,205**	**21,475**

* South area subsidiaries and holding company The increase in 2013 was mostly due to the inclusion of Sports et Loisirs in the South Area as from October 2012.

Water savings of 36.3% achieved within the Group's business area thanks to its new HEQ site in 2011/2012.

Consumption of raw materials, and measures taken to improve the efficiency of their use

As it is a distribution business, the Group does not consume any raw materials directly. As previously mentioned, the Group is committed to offering and promoting environmentally-friendly products.

Use of renewable energy

Improving the energy efficiency of its premises is a priority for the Group. The three main energy consumption areas (primarily electricity and gas) are lighting and heating in the offices and warehouses, and recharging the forklifts used to prepare orders.

Electricity and gas consumption

Data for the Group as a whole and by area:

Electricity consumption (kWh)	30/09/2013	30/09/2012	30/09/2011
North	566,761	589,432	623,432
Centre	1,545,433	1,721,098	1,757,737
East	682,047	670,516	535,859
South	5,193,653	5,643,786	4,961,956
West	1,268,900	1,169,820	1,329,433
TOTAL	**9,256,794**	**9,794,652**	**9,208,418**

Gas consumption (kWh)	30/09/2013	30/09/2012	30/09/2011
North	0	0	0
Centre	475,845	534,098	690,151
East	2,324,777	2,230,446	2,430,800
South	3,192,159	2,841,873	4,679,954
West*	933,871	709,697	910,405
TOTAL	**6,926,652**	**6,316,114**	**8,711,310**

*T^3 converted into kWh.

Energy savings of 18.2% achieved within the Group's business area thanks to its new HEQ site in 2011/2012: lighting is automatically activated and depends on natural light, while the insulation has been reinforced (triple glazing) in order to optimise energy consumption, etc.

Climate change

Greenhouse gas emissions

Two major Group subsidiaries have commissioned a carbon report. Netherlands took the initiative in December 2009, followed by Manutan France in November 2010. The aim of these initiatives is to provide an objective view of CO2 emission sources, in order to target the actions taken in the most crucial areas.

The results in France are as follow for 2009/2010 financial year: 8,156 tonnes of CO2 equivalent (i.e. 14,5 per employee).

The inventory drawn up shows that the main emission factors relating to the Group's direct business activities are as follows, in decreasing order of importance:

- combustion of the fuel required for the transportation of goods (35%);
- combustion of the fuel required for staff transportation (22%);
- emissions relating to incoming materials, primarily the production of catalogues (17%);
- the energy consumed by the facilities (12%).

The improvement in the facilities' energy consumption, and specifically the HEQ construction of the European Centre, contribute to limiting the Group's carbon footprint, as demonstrated by the sharp fall in the consumption of non-renewable energy.

The creation of a car-pooling management website in France in 2013 should also enable the impact of the fuel consumption required for staff transport to be limited.

Protecting biodiversity

The Group has not taken any specific measures to protect biodiversity.

Report of the Statutory Auditor appointed as an independent third-party body on the consolidated social, environmental and societal information provided in the Management Report

Financial year ended at 30 September 2013

To the Shareholders,

In our capacity as the Statutory Auditor to Manutan International S.A. appointed as an independent third-party body, whose request for accreditation has been accepted by the French Accreditation Commission (COFRAC), we hereby present our report on the consolidated social, environmental and societal information presented in the Management Report, hereinafter the "CSR Information" prepared with regard to the financial year ended 30 September 2013, pursuant to the provisions of Article L.225-102-1 of the French Commercial Code.

The company's responsibility

The Board of Directors of Manutan International S.A. is responsible for drawing up a Management Report including the CSR Information provided for in Article R.225-105-1 of the French Commercial Code, prepared in accordance with the Guidelines used (hereinafter the "Guidelines") by the company, and available from the latter on request; a summary of the Guidelines is provided in the Management Report.

Independence and quality control

Our independence is determined by the regulations, our professional ethics code, and the provisions provided for in Article L.822-11 of the French Commercial Code. Moreover, we have implemented a quality control system that includes documented policies and procedures aimed at ensuring compliance with business ethics rules, professional practice standards, and the applicable legislation and regulations.

Responsibility of the Statutory Auditor

Based on our work, our role is to:

• certify that the CSR Information required is included in the Management Report, or that any omission is explained pursuant to the third Sub-Paragraph of Article R.225-105 of the French Commercial Code (certificate of inclusion of the CSR Information);

• draw a conclusion expressing reasonable assurance on the fact that all the significant aspects of the CSR Information, taken as a whole, are presented in a fair manner, in accordance with the Guidelines selected (Reasoned opinion on the fairness of the CSR Information).

We called upon our CSR experts to help us perform this work.

Our work took place between December 2013 and January 2014.

1 Certificate of inclusion of the CSR Information

We performed the following work in accordance with the professional practice standards applicable in France and with the Order of 13 May 2013 setting out the conditions under which the independent third-party body performs its assignment:

• we familiarised ourselves with the presentation of the sustainable development guidelines, in accordance with the social and environmental consequences linked to the company and to its societal commitments, and, where applicable to the resulting initiatives or programmes, on the basis of meetings with the managers of the departments concerned;

• we compared the CSR Information set out in the Management Report with the list provided for by Article R.225-105-1 of the French Commercial Code;

• we ascertained that the CSR Information covered the consolidation scope, i.e. the company and its subsidiaries within the meaning of Article L.233-1 of the French Commercial Code, and the companies that it controls within the meaning of Article L.233-3 of that Code, within the limits specified in the methodology note presented in the "CSR Report Methodology Note" in the Management Report;

• in the event that some consolidated information was missing, we checked that explanations had been provided in accordance with the provisions of Sub-Paragraph 3 of Article R.225-105.

Based on this work, we hereby certify that the Information required is included in the Management Report.

2 Reasoned opinion on the fairness of the CSR Information

Nature and scope of the work

We performed our work in accordance with the professional practice standards applicable in France, with the Order of 13 May 2013 setting out the conditions under which the independent third-party body performs its assignment, and the IASE 3000 standard (International Standard on Assurance Engagements).

We held meetings with the persons responsible for preparing the CSR Information at the departments in charge of gathering the information, and where applicable, with the persons responsible for the internal control and risk management procedures, in order to:

• assess the appropriate nature of the Guidelines in terms of their relevance, completeness, reliability, objectivity, and comprehensible nature, taking best practices in the sector into consideration, where applicable;

• ascertain that an information gathering, compilation, processing and control process had been implemented, with a view to the completeness and consistency of the Information, and familiarise ourselves with the internal control and risk management procedures relating to the preparation of the CSR information.

We determined the nature and extent of the checks and controls in accordance with the nature and significance of the CSR Information, in view of the company's specific features, the social and environmental challenges posed by its business activities, its sustainable development strategy and of best practices in the sector.

For the CSR Information that we considered to be most material[1]

• at the level of the consolidating entity, we consulted the documentary sources and held meetings in order to corroborate the qualitative information (organisation, policies and initiatives), checked that they were coherent and consistent with the other information provided in the Management Report, implemented analytical procedures, and checked the calculation and consolidation of the data on the basis of spot checks;

• at the level of a representative sample of entities that we selected[2] on the basis of their activities, their contribution to the consolidated indicators, their operating location and a risk assessment, we held meetings in order to ascertain the correct application of the procedures, and performed detailed tests on the basis of samples, which consisted in checking the calculations performed and cross-checking the data with the supporting documents. The sample selected in this way accounted for 27% of the workforce, and for between 27 and 53% of the quantitative environmental information. In the case of the other consolidated CSR information, we assessed its consistency compared with our knowledge of the company.

Lastly, we assessed the appropriateness of the explanations relating to the fact that some information was missing, in full or in part.

We believe that the sampling methods and the size of the samples resulting from our professional judgement enable us to draw a conclusion expressing moderate assurance; a higher level of assurance would have required more extensive audit work. Given the use of sampling techniques, and the other limits inherent to the operation of any information and internal control system, the risk of a material misstatement not being identified in the CSR Information cannot be completely eliminated.

Conclusion

Based on our work, we did not observe any significant misstatement likely to call into question the fact that the CSR Information, taken as a whole, is presented in a fair manner, in accordance with the Guidelines.

Notes

Without calling the above conclusions into question, we would draw your attention to the following items that must be taken into account in order to improve the information-gathering process so as to make the information more accurate:

• the roles and responsibilities of the various parties involved must be formalised to a more significant extent, together with the definitions of the indicators;

• the control system relating to the preparation of the CSR Information needs to be reinforced.

Marcq-en-Baroeul and Paris La Défense, 30 January 2014

KPMG Audit
Department of KPMG S.A.

Laurent Prévost
Partner

Philippe Arnaud
Partner
Head of the Climate Change &
Sustainable Development Department

(1) Social indicators: Average equivalent headcount on a full-time equivalent basis broken down by gender, Recruitments and Departures, Absenteeism broken down by motive, Workplace accidents resulting in the loss of over one day, Number of days lost due to workplace accidents, and Training days.
Environmental indicators: water consumption, electricity consumption, natural gas consumption.

(2) Manutan S.A.

Corporate Governance

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Its family structure and its listed company status since 1985 guarantee the independence, stability and dynamism of the Manutan Group. At its meeting of 18 December 2013, the Board of Directors decided to change Governance Code by adopting the Middlenext Code, which is better suited to the Company's size and shareholder structure.

Board and Management Bodies

We would remind you that the General Meeting of Shareholders of 30 November 2011 had decided to change the way in which the Company was governed. The Company's legal form changed from a French Limited Company (Société Anonyme) with a Management Board and a Supervisory Board into a Limited Company with a Board of Directors with dissociation of the Chairman of the Board and Chief Executive roles.

Board of Directors

Composition of the Board of Directors

The Combined General Meeting of 19 March 2013 appointed nine Directors, including three independent Directors, for a period of two years, i.e. until the end of the General Meeting convened to approve the financial statements for the year just-ended to be held in 2015.

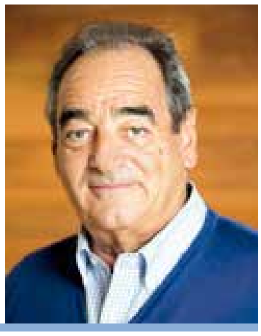
It is specified that the Directors elect domicile at the Company's registered office for the purpose of their activities.

Board member	Family connections with other corporate officers	Position / Committee	Age	Nationality	Initial appointment date / Renewal date	End-of-term year	Number of shares held
Jean-Pierre Guichard	son of André Guichard, father of Hervé and Xavier Guichard	Chairman	67 years	French	02/05/94: Chairman of the Management Board GM/BD 30/11/11: Chairman of the Board of Directors (appointment) GM/BD 19/03/13: Chairman of the Board of Directors (renewal)	GM 2015	449,196
Xavier Guichard	son of Jean-Pierre Guichard, brother of Hervé Guichard, grandson of André Guichard	Chief Executive Officer and Director	41 years	French	30/10/09: Member of the Management Board GM/BD 30/11/11: Deputy Chief Executive Officer (appointment) GM/BD 19/03/13: Chief Executive Officer (appointment)	GM 2015	4,500
Hervé Guichard	son of Jean-Pierre Guichard, brother of Xavier Guichard, grandson of André Guichard	Deputy Chief Executive Officer and Director	43 years	French	30/10/09: Member of the Management Board GM/BD 30/11/11: Chief Executive Officer (appointment) GM/BD 19/03/13: Deputy Chief Executive Officer (appointment)	GM 2015	4,500
Brigitte Auffret	N/A	Deputy Chief Executive Officer, Director, Secretary General	52 years	French	25/01/2002: Member of the Management Board GM/BD 30/11/11: Deputy Chief Executive Officer (appointment) GM/BD 19/03/13: Deputy Chief Executive Officer (renewal)	GM 2015	4,500
Pierre-Olivier Brial	N/A	Deputy Chief Executive Officer and Director	40 years	French	30/10/09: Member of the Management Board GM/BD 30/11/11: Deputy Chief Executive Officer (appointment) GM/BD 19/03/13: Deputy Chief Executive Officer (renewal)	GM 2015	2,500
André Guichard	father of Jean-Pierre Guichard, grandfather of Xavier Guichard and Hervé Guichard	Director	89 years	French	02/05/94: Chairman of the Supervisory Board GM 30/11/11 GM 19/03/13	GM 2015	2,078,173
Nicolas Huet*	N/A	Director Chairman of the Audit Committee Member of the Appointments and Remuneration Committee	43 years	French	GM 30/11/11 GM 19/03/13	GM 2015	20
Carlo d'Asaro Biondo*	N/A	Director Member of the Audit Committee Chairman of the Appointments and Remuneration Committee	48 years	French	GM 30/11/11 GM 19/03/13	GM 2015	148
Jérôme Lescure*	N/A	Director Member of the Audit Committee and of the Appointments and Remuneration Committee	53 years	French	GM 19/03/13	GM 2015	100
Pascale Auger	N/A	Director *(appointment non renewed)*	51 years	French	GM 30/11/11	GM 2013	50

*Independent members. Please refer to pages 55 and 66 regarding independence criteria in the Chairman's Report.

The appointment of Mrs Violette Watine, of French nationality, 38 years old, will be proposed by the Board of Directors at the General Meeting of 13 March 2014. Should the General Meeting approve this appointment, the number of independent Directors would be increased to four.

Directors' biographies and main appointments



Jean-Pierre Guichard
Chairman of the Board of Directors (non-executive)

Jean-Pierre Guichard, who is an entrepreneur at heart, has spent his entire career at Manutan, from when he founded the company in 1966, with his father, André Guichard.

He was appointed Chairman of the Management Board in 1994, and then Chairman of the Board of Directors in November 2011, following the change in Manutan International's management structure.

Hervé Guichard
Deputy Chief Executive Officer and Director

Even as a very young man, Hervé Guichard demonstrated a genuine liking for adventure, by continually pushing the limits in the sports that he played intensively. He began working for Manutan SA in 1994, as an Export Technical & Commercial employee. He also held the positions of Product Head, and then of Marketing Director at the Company.

Hervé Guichard was appointed as a Director and Chairman and Chief Executive Officer of Manutan SA in 2005. He was appointed as a member of Manutan International's Management Board by the Supervisory Board in October 2009.

Following the change in Manutan International's management structure, Hervé Guichard was appointed as a Director and Chief Executive Officer of the company in 2011, and then as Deputy Chief Executive Officer in March 2013.

Xavier Guichard
Chief Executive Officer and Director

Xavier Guichard, who is a devotee of Art in all its forms, and especially of modern painting, joined the Manutan Group as the Group Financial Controller in 2002. He was the Group's Director of Operations between 2005 and 2008. He was appointed as a member of Manutan International's Management Board by the Supervisory Board in October 2009.

Following the change in Manutan International's management structure, Xavier Guichard was appointed as a Director and Deputy Chief Executive Officer of the Company in 2011, and then as Chief Executive Officer in March 2013.

Pierre-Olivier Brial
Deputy Chief Executive Officer and Director

Pierre-Olivier Brial has enjoyed playing the guitar and singing since he was a child, and devotes his free time to his passion at his home recording studio. In October 2001, Pierre-Olivier Brial was hired as Assistant to the Director of Research and Development by Manutan International, the French Company.

He then held various management positions within the Group, including in e-business and development, and as manager of the European geographical areas.

Pierre-Olivier Brial was appointed as a member of Manutan International's Management Board by the Supervisory Board on 30 October 2009.

Following the change in Manutan International's management structure, Pierre-Olivier Brial was appointed as a Director of the Company and then as Deputy Chief Executive Officer in November 2011, while combining his corporate office with an employment contract.

Brigitte Auffret
Deputy Chief Executive Officer, Director, Secretary General

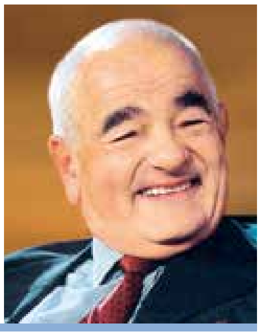
Brigitte Auffret adores opera singing, in which she has been involved since her teenage years, and was hired as a financial controller by the Company in 1986.

She was appointed as the Manutan Group's Administrative and Finance Director in 2000.

In January 2002, Brigitte Auffret was appointed as a member of the Manutan International Management Board by the Supervisory Board, and then as Chief Executive Officer by the Supervisory Board in September 2006. Following the change in Manutan International's management structure, Brigitte Auffret was appointed as a Director and Deputy Chief Executive Officer in November 2011.

Trust, modestly, truthfulness and sharing are among the fundamental values espoused by the four Managing Directors, who jointly ensure the Group's operational management; furthermore, Xavier and Hervé Guichard hold the position of Chief Executive Officer in turn.

This governance method based on shared values is key to creating and maintaining trust-based relationships, and to making mutual progress. It promotes the emergence of innovative ideas, which contribute to the recognition of the corporate project at the Group's 25 European subsidiaries.



André Guichard
Director

André Guichard founded Manutan International in 1966, with his son, Jean-Pierre Guichard. At the time, Jean-Pierre Guichard was the Chief Executive Officer of a company that marketed forklifts; however he joined Jean-Pierre Guichard in 1973, in order to take charge of the Company's Marketing Department, among other things.

André Guichard was appointed Chairman of the Supervisory Board in May 1994, and then as a Director of Manutan International in November 2011, following the change in the Company's management structure.

Nicolas Huet
Director

Nicolas Huet trained as a lawyer, and holds Degrees in Business Law (1992) and International Law (1993) from Paris II University – Panthéon Assas. He practised as a lawyer specialising in mergers & acquisitions up until 2011. He was a partner at White & Case between 2006 and 2011. Since then, he has been the Director of Legal Affairs for Eurazeo SA, which is listed on Euronext Paris.

Nicolas Huet has been appointed Director by the General Meeting of 30 November 2011; his appointment has been renewed by the General Meeting of 19 March 2013. He is also Chairman of the Audit Committee and member of the Appointments and Remuneration Committee. He is classified as independent Director.

Carlo d'Asaro Biondo
Director

Carlo d'Asaro Biondo, a French and Italian national, studied in Italy. He began his career as a consultant at KPMG SA; twelve years later, he became the consulting group's Chief Executive Officer for France.

He joined Unisys in late 2001, as Vice-Chairman and Chief Executive Officer for the Communications and Media Businesses. He was appointed as Senior Vice-President in Charge of Telecommunications at AOL Europe in 2004, and then as Chief Executive Officer of AOL France. Three years later, he was promoted to Chairman of AOL Europe. Carlo d'Asaro Biondo was appointed as Chief Executive Officer for International Operations at Lagardère Active Media in early 2007. He has been the Chairman of Google's Operations in Southern and Eastern Europe, the Middle East, and Africa since 2009.

Carlo d'Asaro Biondo has been appointed Director by the General Meeting of 30 November 2011; his appointment has been renewed by the General Meeting of 19 March 2013. He is also Chairman of the Appointments and Remuneration Committee and member of the Audit Committee. He is classified as independent Director.

Jérôme Lescure
Director

Jérôme Lescure is a graduate of the École Spéciale d'Architecture and École Nationale des Ponts et Chaussés, and also holds an MBA from HEC. He began his career in the information technology sector in 1985. After his MBA, he joined A.T. Kearney, a consulting strategy firm that he co-managed as Partner until 2010. Between 1997 and 2001, he was Vice-Chairman of Euro Disney, where he was responsible for the development of the theme park and of the property division. He became Chief Executive Officer for Accenture Management Consulting in France in 2011. He has been an entrepreneur and investor in fast-growing SMCs since the end of 2012.

Jérôme Lescure has been appointed Director by the General Meeting of 19 March 2013.

He is also member of the Audit Committee and of the Appointments and Remuneration Committee.

He is classified as independent Director.

Violette Watine
a prospective Director whose appointment will be proposed to the General Meeting on 13 March 2014

Violette Watine is a graduate of Reims Business School. She completed her education by enrolling on the HEC Challenge Plus programme, which is dedicated to innovative and high technology start-ups.

She began her career at Procter & Gamble in 1998, and then at L'Oreal, in marketing development positions. Following her conversion to the environmental cause, she decided to put her skills at the service of her convictions. In 2006, she founded Mademoiselle bio, which became the leading multi-channel organic beauty and well-being product retail brand, and which she sold in 2010. After supporting the company's buyers until the end of 2011, she set up and managed the French subsidiary of DaWanda, a European marketplace dedicated to crafts and hand-made products. Violette Watine launched a strategy advisory and direct recruitment firm in July 2013.

Her appointment as a Director will be proposed to the General Meeting of 13 March 2014 by the Board of Directors. She may be classified as independent Director.

List of the offices held by the Directors

Corporate Officers	Appointments and/or duties in another Group company		Appointments and/or duties outside the Manutan Group over the past five financial years	
	Existing	Expired	Existing	Expired
Jean-Pierre Guichard	Director of Manutan SA (France) Co-manager of SCI Philippe Auguste (France) Director of Manovert BV (Netherlands) Director of Manutan Ltd (England) Director of Key Industrial Equipment Ltd (England) Director of Metro Storage Systems Ltd (Republic of Ireland) Director of Manutan s.r.o. (Czech Republic) Director of Witre AB (Sweden) Director of Manutan Unipessoal Lda (Portugal) Director of Eurostore Group Ltd (England) *None of these companies is listed*	Member of the IpsoPresto SAS (France) Supervisory Board; the appointment expired following the liquidation via a Universal Contribution of Assets	Director of MT Finance (Luxembourg), unlisted company	None
Xavier Guichard	Member of the Supervisory Board of Camif Collectivités Entreprises SAS (France) Deputy Chief Executive Officer of Manutan SA (France) Member of the Supervisory Board of Sports et Loisirs SAS (France) Chief Executive Officer of Trovatar a.s. (Czech Republic) Director of Manutan Unipessoal Lda (Portugal) Chairman of IronmongeryDirect Limited (United Kingdom) Chairman of Group Hardware Limited (United Kingdom) Chairman of Project Hardware (United Kingdom) Chairman of Ikaros Cleantech (Sweden) Chairman of Ikaroy OY (Finland) Director of Manutan Limited (United Kingdom) *None of these companies is listed*	None	None	None
Hervé Guichard	Chief Executive Officer of Manutan SA (France) Chairman of Camif Collectivités Entreprises SAS (France) Co-manager of SCI Philippe Auguste (France) Chairman of the Inter-Company Restaurant Association (France) Chairman of Sports et Loisirs SAS (France) Chairman of Manutan Italie Spa (Italy) Chief Executive Officer of Manutan SL (Spain) *None of these companies is listed*	Deputy Director of Manutan NV (Belgium), following merger-absorption by Overtoom International Belgium NV	None	None
Brigitte Auffret	Director of Manutan SA (France) Chairwoman of the Supervisory Board of Camif Collectivités Entreprises (France) Chairwoman of the Supervisory Board of Sports et Loisirs SAS (France) Director of Manovert BV (Netherlands) Director of Witre AB (Sweden) Chairwoman of the Supervisory Board of Trovatar a.s. (Czech Republic) Director of Eurostore Group Ltd (England) Co-manager of Manutan Polska Sp z.o.o. (Poland) Co-manager of Manutan Slovakia s.r.o. (Slovakia) Co-manager of Manutan Hungària Kft (Hungary) Chief Executive Officer of Manutan s.r.o. (Czech Republic) Director of IronmongeryDirect Limited (United Kingdom) Director of Group Hardware Limited (United Kingdom) *None of these companies is listed*	Member of the IpsoPresto SAS (France) Supervisory Board; the appointment expired following the liquidation via a Universal Contribution of Assets	None	None

Corporate Officers	Appointments and/or duties in another Group company – Existing	Appointments and/or duties in another Group company – Expired	Appointments and/or duties outside the Manutan Group over the past five financial years – Existing	Appointments and/or duties outside the Manutan Group over the past five financial years – Expired
Pierre-Olivier Brial	Corporate Officer of Overtoom International BV (Netherlands) Director of Manutan BV (Netherlands) Director of Manutan NV (Belgium) Co-manager of Fabritec-Overtoom GmbH (Switzerland) Co-manager of Overtoom International Deutschland GmbH (Germany) Secretary of Manutan Ltd (United Kingdom) Director of Key Industrial Procurement Ltd (United Kingdom) Director of Key Industrial Publication Ltd (United Kingdom) Director of Rapid Racking Ltd (United Kingdom) Director of Eurostore Group Ltd (United Kingdom) Director of Eurostore Trustee Ltd (United Kingdom) Director of Eurostore Holdings Ltd (United Kingdom) Director of Rapid Direct Ltd (United Kingdom) Secretary of Metro Storage Systems Ltd (Republic of Ireland) Director of Witre A/S (Norway) Director of Witre A/B (Sweden) Director of Witre A/S (Denmark) Director of Witre OY (Finland) Director of Ikaros Cleantech (Sweden) Director of Ikaros OY (Finland) Director of IronmongeryDirect Limited (United Kingdom) Director of Group Hardware Limited (United Kingdom) Director of Project Hardware (United Kingdom) *None of these companies is listed*	Chairman of IpsoPresto SAS (France); the appointment expired following the liquidation via a Universal Contribution of Assets Director of Manutan NV (Belgium), following merger-absorption with Overtoom International Belgium NV	None	None
André Guichard	None	Director of Manutan Ltd (United Kingdom)	Chairman of the Board of Directors of MT Finance (Luxembourg), unlisted company	None
Nicolas Huet	None	None	Director of Euraleo (Italy), unlisted company	Director of ECIP M SA (Luxembourg), unlisted company
Carlo d'Asaro Biondo	None	None	Independent Director of Kesa/Darty, listed company	Chairman of Rusconi (Italy) Chairman of Hachette Fujiangaho (Japan) Member of the Management Board of Lagardère Group's 40 subsidiaries
Jérôme Lescure	None	None	Co-manager of LA VILLA SARL Chairman of CAMSEL SAS Chairman and Director of Brassac Holding Deputy Chief Executive Officer and Director of Brassac Industries Chairman of Bargues bois Chairman and Director of Les Bois du midi Director of AZIMUT industries Chairman of BACKBONE SAS Deputy Chief Executive Officer of OTC asset management, unlisted companies Director of YMAGIS SA (listed company)	Manager of Trois rivières holding
Pascale Auger	None	Director of Manutan International (France) until 19 March 2013	ND	ND

Executive Directors

Xavier Guichard	Chief Executive Officer
Hervé Guichard	Deputy Chief Executive Officer
Brigitte Auffret	Deputy Chief Executive Officer
Pierre-Olivier Brial	Deputy Chief Executive Officer

Committees of the Board of Directors

The Board of Directors has set up the following Committees:

- an Audit Committee;
- an Appointments and Remuneration Committee.

Every Committee plays a role in examining, assessing, and preparing certain Board resolutions that fall under its remit, as well as examining issues and/or projects forwarded by the Board or by its Chairman for review. The Committee has consultative powers and acts under the authority and responsibility of the Board to which it reports.

The composition, organisation, operation and role of committees are described in the Chairman's report, pages 54 *et seq*.

Potential convictions of Corporate Officers

The Company is not aware at the date of preparation of this document of any member of the Board of Directors and Top Management who may have been party to any business bankruptcy, insolvency or liquidation over the past five years. Likewise, during the last five years none of them were convicted of fraud, received an official public penalty or sanction, been prevented by a court of justice of acting as a member of a Management, Executive or Supervisory corporate body or of acting in a management or executive capacity in respect of the activities of a listed company.

Conflicts of interests of Corporate Officers

The Company is not aware at the date of preparation of this document of the existence of any identified conflict of interests regarding the duties exercised by each member of the Board of Directors and Top Management as Corporate Officer and their private interests or other duties.

The Company is not aware of any service contract binding members of the Board of Directors and Top Management to the issuer or any of its subsidiaries, from which a member may derive economic benefits.

The Company is not aware at the date of preparation of this document of the existence of any arrangements or agreements entered into with the main Shareholders, customers or suppliers by which a member of the Board of Directors and Top Management would have been selected as such.

The Company is not aware at the date of preparation of this document of the existence of any restrictions adhered to by members of the Board of Directors and Top Management regarding the sales of their stake in the share capital of the Company, except for two collective agreements to retain shares for a number of them. Refer to the chapter entitled "General information concerning the share capital" on page 157.

Remuneration of the Board and Management bodies

Global remuneration of the Corporate Officers

In respect of the financial year ended 30 September 2013, total remuneration paid to members of the Board and Management bodies for services rendered to the Group amounted to €1,951,526 (€2,439,794 at 30 September 2012). The Directors' remuneration is paid by Manutan International, while the various employee benefits authorised by the Board of Directors are set out in the Statutory Auditors' special report on regulated agreements and undertakings, which is provided on pages 71 *et seq*., of this document.

Non-executive corporate officer

Jean-Pierre Guichard

	Employment contract		Bonuses or benefits payable or likely to be payable due to the termination or change of functions		Supplementary pension scheme		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jean-Pierre Guichard, Director and Chairman of the Board of Directors		X		X		X		X
Appointment begins: 19 March 2013								
Appointment expires: General Meeting 2015								

The information disclosed below regarding Jean-Pierre Guichard is the information provided in relation to his duties as Non-Executive Chairman of the Company's Board of Directors.

Summary of remuneration, options and shares awarded

Jean-Pierre Guichard – Chairman of the Board of Directors	2011/2012 financial year	2012/2013 financial year
Remuneration due for the year (detailed in the table below)	409,340	455,238
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	**409,340**	**455,238**

Summary of remuneration

Jean-Pierre Guichard Chairman of the Board of Directors *(in euros)*	Amounts awarded in 2011/2012		Amounts awarded in 2012/2013	
	Due[(1)]	Paid[(2)]	Due[(1)]	Paid[(2)]
Fixed remuneration	404,166	404,166	450,000	450,000
Variable remuneration	-	329,027		
Exceptional remuneration				
Director's fees				
Benefits in kind – company car	5,174	5,174	5,238	5,238
TOTAL	**409,340**	**738,367**	**455,238**	**455,238**

(1) This is the remuneration awarded to an Executive Director during the financial year, regardless of the payment date.

(2) This is the total remuneration paid to an Executive Director in respect of their duties during the financial year.

Variable remuneration

No variable remuneration is payable in respect of Mr Jean-Pierre Guichard's duties as (Non-Executive) Chairman of the Board of Directors. However, the table below shows a variable remuneration amount paid in January 2012, due to his appointment as Chairman of the Management Board, which he fulfilled until 30 November 2011.

Stock options and free shares

No options to subscribe to or purchase shares have been awarded to Mr Jean-Pierre Guichard, or indeed exercised by the latter.

In addition, Mr Jean-Pierre Guichard is not the beneficiary of any performance-related shares.

Executive Directors

Xavier Guichard

	Employment contract		Bonuses or benefits payable or likely to be payable due to the termination or change of functions		Supplementary pension scheme		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Xavier Guichard, Director and Chief Executive Officer	X			X		X		X
Appointment begins: 19 March 2013								
Appointment expires: General Meeting 2015								

Employment contract: Mr Xavier Guichard has an employment contract with Manutan International. This contract has been suspended since 30 November 2011 via a decision of the Board of Directors on the same date. The continuation of this employment contract is justified by the previous length of his salaried position; indeed, this employment contract was entered on 30 June 2002.

The information disclosed below regarding Xavier Guichard is the information provided in relation to his duties as Company's Director and Chief Executive Officer.

Summary of remuneration, options and shares awarded

Xavier Guichard – Chief Executive Officer of Manutan International	2011/2012 financial year	2012/2013 financial year
Remuneration due for the year (detailed in the table below)	375,059	465,936
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	**375,059**	**465,936**

Summary of remuneration

Xavier Guichard Chief Executive Officer	*(in euros)*	Amounts awarded in 2011/2012		Amounts awarded in 2012/2013	
		Due (1)	Paid (2)	Due (1)	Paid (2)
Fixed remuneration		317,205	317,205	330,000	330,000
Variable remuneration		52,406	97,809	130,488	52,406
Exceptional remuneration					
Director's fees					
Benefits in kind – company car		5,448	5 ,448	5,448	5,448
Benefits in kind – senior executive unemployment insurance					
TOTAL		**375,059**	**420,462**	**465,936**	**387,854**

(1) This is the remuneration awarded to an Executive Director during the financial year, regardless of the payment date.

(2) This is the total remuneration paid to an Executive Director in respect of their duties during the financial year.

Variable remuneration

Board of Directors	Bonus rate targeted at 100% achievement of targets (1)	
Xavier Guichard	50% of gross annual fixed remuneration	The variable portion of the remuneration is indexed to objectives based on profit before tax and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International.

(1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the realisation of objectives: The share of variable remuneration is indexed to profit before taxation objectives, subject to the achievement of minimum levels of performance.

(2) For confidentiality reasons non-public performance objectives were pre-established and defined in detail by the Board of Directors of Manutan International on 18 December 2012.

Stock options and free shares

No options to subscribe to or purchase shares have been awarded to Mr Xavier Guichard, or indeed exercised by the latter.

Hervé Guichard

	Employment contract		Bonuses or benefits payable or likely to be payable due to the termination or change of functions		Supplementary pension scheme		Indemnities relating to a non-compete clause	
	Oui	Non	Oui	Non	Oui	Non	Oui	Non
Hervé Guichard, Director and Deputy Chief Executive Officer	X			X		X		X
Appointment begins: 19 March 2013								
Appointment expires: General Meeting 2015								

Employment contract: Mr Hervé Guichard has an employment contract with the Manutan SA subsidiary. This contract has been suspended since 12 July 2005. As Deputy Chief Executive Officer, Mr Hervé Guichard is not covered by the Middlenext Code recommendation on combining an employment contract with an appointment as a corporate officer.

The information disclosed below regarding Hervé Guichard is the information provided in relation to his appointments as Director and Deputy Chief Executive Officer of Manutan International.

Summary of remuneration, options and shares awarded

Hervé Guichard – Deputy Chief Executive Officer of Manutan International	2011/2012 financial year	2012/2013 financial year
Remuneration due for the year (detailed in table below)	362,863	468,380
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	**362,863**	**468,380**

Summary of remuneration

Hervé Guichard Deputy Chief Executive Officer *(in euros)*	Amounts awarded in 2011/2012		Amounts awarded in 2012/2013	
	Due [1]	Paid [2]	Due [1]	Paid [2]
Fixed remuneration	302,502	302,502	330,000	330,000
Variable remuneration	52 ,843	88,066	130,488	52,843
Exceptional remuneration				
Director’s fees				
Benefits in kind – company car	6,295	6,295	7,892	7,892
Benefits in kind – senior executive unemployment insurance	1,223	1,223		
TOTAL	**362,863**	**398,086**	**468,380**	**390,735**

(1) This is the remuneration awarded to an Executive Director during the financial year, regardless of the payment date.

(2) This is the total remuneration paid to an Executive Director in respect of their duties during the financial year.

Variable remuneration paid by Manutan International

Board of Directors	Bonus rate targeted at 100% achievement of targets [1]	
Hervé Guichard	50% of gross annual fixed remuneration	The variable portion of the remuneration is indexed to objectives based on profit before tax and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International

(1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the realisation of objectives: The share of variable remuneration is indexed to profit before taxation objectives, subject to the achievement of minimum levels of performance.

(2) For confidentiality reasons non-public performance objectives were pre-established and defined in detail by the Board of Directors of Manutan International on 18 December 2012.

Stock options and free shares

No options to subscribe to or purchase shares have been awarded to Mr Hervé Guichard, or indeed exercised by the latter.

Brigitte Auffret

	Employment contract		Bonuses or benefits payable or likely to be payable due to the termination or change of functions		Supplementary pension scheme		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Brigitte Auffret, Director and Deputy Chief Executive Officer	X			X	X			X
Appointment begins: 19 March 2013								
Appointment expires: General Meeting 2015								

Employment contract: Mrs Brigitte Auffret has an employment contract with Manutan International. This contract has been suspended since 1 April 2008. As Deputy Chief Executive Officer, Mrs Brigitte Auffret is not covered by the Middlenext Code recommendation on combining an employment contract with an appointment as a corporate officer.

Severance pay under an employment contract: in the case of redundancy (with the exception of serious misconduct, gross negligence or force majeure, dismissal on the grounds of physical inability as decided by the company doctor, retirement or early retirement, or resignation), Brigitte Auffret will benefit from contractual compensation for the termination of her employment contract. She will also receive the redundancy payment she is entitled to legally.

The amount of this gross compensation is fixed at 21 (twenty-one) months' salary (fixed basic salary + bonus but excluding exceptional incentives).

Furthermore, since Mrs Brigitte Auffret currently holds a position as a corporate officer within the Company, and in accordance with the provisions of Article L 225-79-1 of the French Commercial Code ("Code de Commerce"), payment of the aforementioned compensation is subject to the fulfilment of the following performance conditions as laid down by the Board of Directors on 19 March 2013:

• average profit from operations over the three years preceding notification of the termination of the employment contract to be maintained above 4% of turnover; and

• stable positive consolidated net result over the past three financial years preceding the notification of the termination of the employment contract.

These two conditions would be based on the Manutan Group's consolidated financial aggregates. The achievement of this objective would be based on the consolidated accounts for the last three financial years, as approved by the Board of Directors and certified by the Statutory Auditors, prior to the notification of the termination of the employment contract.

If Brigitte Auffret's appointment as a member of the Board of Directors is terminated, for any reason whatsoever, these performance conditions governing the granting of contractual compensation would become null and void at the end of a period of eight (8) months from the expiry date of the appointment.

The notification date of the termination of the employment contract would be taken into account when determining whether the performance condition would apply to the payment of compensation.

The undertaking entered into on behalf of Brigitte Auffret, as set out above, amounts to a regulated agreement, which has already been approved by the Annual General Meeting of 13 March 2012; as Brigitte Auffret's term of office was renewed in March 2013, this undertaking will once again be included in the Statutory Auditors' special report on the regulated agreements and undertakings for the 2012/2013 financial year, and will accordingly be submitted to the Annual General Meeting convened to approve the financial statements for the year ended 30 September 2013.

The information disclosed below regarding Brigitte Auffret is the information provided in relation to her duties as Company's Director and Deputy Chief Executive Officer.

Summary of remuneration, options and shares awarded

Brigitte Auffret – Deputy Chief Executive Officer of Manutan	2011/2012 financial year	2012/2013 financial year
Remuneration due for the year (detailed in table below)	389,459	454,048
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	**389,459**	**454,048**

Summary of remuneration

Brigitte Auffret Deputy Chief Executive Officer *(in euros)*	Amounts awarded in 2011/2012		Amounts awarded in 2012/2013	
	Due[1]	Paid[2]	Due[1]	Paid[2]
Fixed remuneration	327,501	327,501	330,000	330,000
Variable remuneration	45,768	171,456	104,390	45,768
Exceptional remuneration				
Director's fees				
Benefits in kind – company car	3,519	3,519	4,188	4,188
Benefits in kind – senior executive unemployment insurance	12,671	12,671	15,470	15,470
TOTAL	**389,459**	**515,147**	**454,048**	**395,426**

(1) This is the remuneration awarded to an Executive Director during the financial year, regardless of the payment date.

(2) This is the total remuneration paid to an Executive Director in respect of their duties during the financial year.

Variable remuneration

Board of Directors	Bonus rate targeted at 100% achievement of targets[1]	
Brigitte Auffret	40% of gross annual fixed remuneration	The variable portion of the remuneration is indexed to objectives based on profit before tax and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International.

(1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the realisation of objectives: The share of variable remuneration is indexed to profit before taxation objectives, subject to the achievement of minimum levels of performance.

(2) For confidentiality reasons non-public performance objectives were pre-established and defined in detail by the Board of Directors of Manutan International on 18 December 2012.

Stock options and free shares

No options to subscribe to or purchase shares have been awarded to Ms Brigitte Auffret, or indeed exercised by the latter.

Pierre-Olivier Brial

	Employment contract		Bonuses or benefits payable or likely to be payable due to the termination or change of functions		Supplementary pension scheme		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Pierre-Olivier Brial, Director and Deputy Chief Executive Officer	X			X		X		X
Appointment begins: 19 March 2013								
Appointment expires: General Meeting 2015								

Employment contract: Mr Pierre-Olivier Brial has had an employment contract with Manutan International since 1 October 2001.

As Deputy Chief Executive Officer, Mr Pierre-Olivier Brial is not covered by the Middlenext Code recommendation on combining an employment contract with an appointment as a corporate officer.

The information disclosed below regarding Pierre-Olivier Brial is the information provided in relation to his duties as Group Marketing and Development Director and his appointments as Company's Director and Deputy Chief Executive Officer.

Summary of remuneration, options and shares awarded

Pierre-Olivier Brial – Deputy Chief Executive Officer of Manutan International	2011/2012 financial year	2012/2013 financial year
Remuneration due for the year (detailed in table below)	304,654	374,161
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	**304,654**	**374,161**

Summary of remuneration

Pierre-Olivier Brial Deputy Chief Executive Officer *(in euros)*	Amounts awarded in 2011/2012		Amounts awarded in 2012/2013	
	Due (1)	Paid (2)	Due (1)	Paid (2)
Fixed remuneration	262,506	262,506	280,008	280,008
Variable remuneration	36,685	99,763	88,573	36,685
Exceptional remuneration				
Director's fees				
Benefits in kind – company car	5,463	5,463	5,580	5,580
Benefits in kind – senior executive unemployment insurance				
TOTAL	**304,654**	**367,732**	**374,161**	**322,273**

(1) This is the remuneration awarded to an Executive Director during the financial year, regardless of the payment date.

(2) This is the total remuneration paid to an Executive Director in respect of their duties during the financial year.

Variable remuneration

Board of Directors	Bonus rate targeted at 100% achievement of targets (1)	
Pierre-Olivier Brial	40% of gross annual fixed remuneration	The variable portion of the remuneration is indexed to objectives based on profit before tax and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International.

(1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the realisation of objectives: The share of variable remuneration is indexed to profit before taxation objectives, subject to the achievement of minimum levels of performance.

(2) For confidentiality reasons non-public performance objectives were pre-established and defined in detail by the Board of Directors of Manutan International on 18 December 2012.

Stock options and free shares

No options to subscribe to or purchase shares have been awarded to Mr Pierre-Olivier Brial, or indeed exercised by the latter.

Remuneration of members of the Board of Directors is paid by Manutan International.

Programme for the allocation of free shares

History of performance shares awarded to Executive Directors

By a decision of the Management Board on 15 January 2009, and using the delegation granted by the Extraordinary General Meeting on 13 March 2008, it was decided to allocate 2,500 free shares to:

- Mrs Brigitte Auffret;
- Mr Xavier Guichard;
- Mr Hervé Guichard;
- Mr Pierre-Olivier Brial,

as members of the Management Board and within the regulation for the allocation of free shares adopted by the Management Board in January 2009.

Number and date of plan	Number of shares awarded	Valuation of the shares according to the method used to draw up the consolidated accounts	Acquisition date	Availability date	Performance conditions
Plan No. 2 dated 15 January 2009	2,500	€32.42	15/01/2011	15/01/2013	• Current average profit from operations (excluding external growth transactions) for the two years prior to the final grant to be maintained above 7% of turnover. • Positive consolidated net profit during the two years prior to the final grant to be maintained.

Accordingly, the Supervisory Board Meeting of 15 December 2008 decided, in accordance with the provisions of Article L.225-197-1 II of the French Commercial Code, to set the number of free shares Mrs Brigitte Auffret must hold in registered form until the expiry of the holding period of two years, and until the termination of her term of office or position, at 10% of the total number of free shares awarded. Brigitte Auffret is the only person concerned by this provision, which was approved by the Supervisory Board when she held the position of Chief Executive Officer of the Company.

The special report on free share allocation is presented under "General information concerning the share capital" on page 155 of this document.

Director's fees

The Combined General Meeting of 30 November 2011 allocated a maximum budget for attendance fees of €150,000 to the Board of Directors, until decided otherwise.

Director's fees paid to members of the Board of Directors amounted to €85,714 for the financial year ended 30 September 2013 (€135,417 for the financial year ended 30 September 20123) broken down as follows.

Supervisory Board Members whose appointment expired on 30 November 2011	*(in euros)*	2011/2012 financial year	2012/2013 financial year
André Guichard – Chairman		5,000	-
Alain Julliard – Vice-Chairman		4,167	-
Claudine Guichard – Member of the Supervisory Board		1,667	-
Jean–Claude Sarazin – Member of the Supervisory Board		3,333	-
Marc Olivier Laurent – Member of the Supervisory Board		3,333	-
Jean–Noël Kapferer – Member of the Supervisory Board		1,667	-
Members of the Board of Directors in office	*(in euros)*		
Jean Pierre Guichard – Chairman of the Board of Directors		-	-
Xavier Guichard – Chief Executive Officer		-	-
Hervé Guichard – Deputy Chief Executive Officer, Director		-	-
Brigitte Auffret – Deputy Chief Executive Officer, Director		-	-
Pierre-Olivier Brial – Deputy Chief Executive Officer, Director		-	-
André Guichard – Director		25,000	-
Nicolas Huet – Director		25,000	30,000
Carlo d'Asaro Biondo – Director		25,000	25,714
Jérôme Lescure – Director		-	17,143
Pascale Auger – Director until 19 March 2013		25,000	12,857
Charles Ruggieri – Director until 16 August 2012		16,250	-
TOTAL		**135,417**	**85,714**

No compensation other than Directors' fees and the remuneration paid to the Chairman of the Board of Directors was paid to non-executive members of the Board of Directors during the 2012/2013 financial year.

No options to subscribe to or purchase shares were awarded or exercised during the 2012/2013 financial year.

Report of the Chairman on Corporate Governance and internal control and risk management procedures

Dear Shareholders,

In accordance with the Law, the Chairman of the Board of Directors of French limited companies ("Sociétés Anonymes") whose shares are listed for trading on a regulated market, must submit a report together with the Board's report on:

- the composition of the Board, and the application of the principle of balanced representation of men and women in its midst, the conditions under which the work of the Board is prepared and organised, any potential limitations imposed on the powers of the Chief Executive Officer, the references made to a Corporate Governance code, and the specific procedures relating to shareholders' participation in the General Meeting;
- the internal control and risk management procedures implemented by the Company.

This report also sets out the principles and rules used to determine the remuneration and benefits of any kind granted to Corporate Officers and any information likely to have an impact in the event of a public offering.

Departments supporting the preparation and the drawing up of this report were as follows:

- Financial Management
- Legal Department
- Sales Management

The draft of this report was prepared internally by the departments listed above; it was then reviewed with Top Management, before being forwarded to the Chairman of the Board. The Chairman examined this document and forwarded it to the Board members prior to the meeting, informing them that they would need to issue an opinion on the approval of this report.

This report was submitted to the Board of Directors for approval on 18 December 2013 and forwarded to the Statutory Auditors.

Corporate governance

1 Change in the form of governance

First of all, the Chairman reminded the attendees that the General Meeting of Shareholders of 30 November 2011 had decided to change the way in which the Company was governed. The Company's legal form changed from a French Limited Company (Société Anonyme) with a Management Board and a Supervisory Board into a Limited Company with a Board of Directors with dissociation of the Chairman of the Board and Chief Executive roles. This change of governance was intended to increase the efficiency of the Top Management's decision-making process, at the same time as allowing the (non-executive) Chairman of the Board of Directors to participate in setting the Group's major strategic directions.

Following the General Meeting on 19 March 2013, the Board of Directors renewed Jean-Pierre Guichard in his duties as non-executive Chairman of the Board of Directors.

Xavier Guichard was appointed Chief Executive Officer. Hervé Guichard and Pierre-Olivier Brial, as well as Brigitte Auffret, Directors, were appointed Deputy Chief Executive Officers.

Furthermore, it is reminded that Hervé and Xavier Guichard assume the duties of Chief Executive Officer on an alternate basis.

2 Corporate Governance code

Where its Corporate Governance Code is concerned, our Company referred so far on the AFEP/MEDEF Corporate Governance Code for listed companies. At its meeting of 18 December 2013, the Company's Board of Directors decided to change its Corporate Governance Code of Reference and to adopt the Middlenext Corporate Governance Code for Small and Mid-Sized Companies dated December 2009.

In fact, this Code is particularly well suited to the Company in view of its size and its shareholder structure. This Code is available on the website www.middlenext.com (hereinafter referred to as the "Reference Code").

When it adopted said Code, the Board familiarised itself with the information set out in the "Watch Point" section of the Code. The Code of Reference also includes watch points drawn from the guidelines for reasonable corporate governance of French companies, which recall the questions that the Board of Directors must ask itself in order to ensure the correct operation of the governance procedures. The Company's Board of Directors familiarised itself with these watch points at its session of 18 December 2013.

3 Composition of the Board of Directors and Committees

The Chairman states that the current paragraph on to the composition of the Board and Committees relates to the new bodies established since 19 March 2013.

3.1 Composition of the Board of Directors

At 31 January 2014, the Board consists of nine members:

- Jean-Pierre Guichard, Chairman of the Board,
- Hervé Guichard, Director and Chief Executive Officer,
- Hervé Guichard, Director and Deputy Chief Executive Officer,
- Brigitte Auffret, Director, Deputy Chief Executive Officer and Secretary General,
- Pierre-Olivier Brial, Director and Deputy Chief Executive Officer,
- André Guichard, Director,
- Jérôme Lescure, Director,
- Nicolas Huet, Director,
- Carlo d'Asaro Biondo, Director.

Please refer to Paragraph III of the Corporate Governance Section – 1. Administrative and Management Bodies, on pages 37 et seq. for further details on the members of the Board of Directors.

Independence of the members of the Board of Directors

In accordance with the Middlenext Corporate Governance Code, a Director is independent as long as there is no significant financial, contractual or familial relationships likely to alter their independent judgement.

At its meeting of 18 December 2013, the Board of Directors reviewed the position of every Director in light of the independence criteria in the Middlenext Code, as set out above, and took the view that Jérôme Lescure, Nicolas Huet and Carlo d'Asaro Biondo could be considered as independent, in accordance with the definition provided in Recommendation R8 of the Middlenext Code. Accordingly, at least three of the members of the Board of Directors were independent as at 31 January 2014. In addition, the Board reviewed the position of Violette Watine, whose appointment will be proposed to the next General Meeting, and took the view that she could be classified as an independent member.

According to the Reference Code, the criteria that enable a Board member to qualify as independent are as follows:

- not being an employee or a Corporate Officer of the company or of a company of its Group and not having been any of the above for the previous three years;
- not being one of the Company or the Group's major clients or suppliers, or one of their main bankers, or an entity for which the Company or the Group represents a material proportion of its business activities;
- not being a key shareholder in the Company;
- not having close family ties with a corporate officer or a key shareholder;
- not having been a Company auditor over the previous three years.

The table below summarises the independence criteria in the Middlenext Code used for each of the Directors.

Independence criteria	Jérôme Lescure	Nicolas Huet	Carlo d'Asaro Biondo	Violette Watine
not being an employee or a corporate officer of the Company or of a company of its Group and not having been any of the above for the previous three years	x	x	x	x
not being one of the Company or the Group's major clients or suppliers, or one of their main bankers, or an entity for which the Company or the Group represents a material proportion of its business activities	X	X	X	x
not being a key shareholder in the Company	X	X	X	X
not having close family ties with a corporate officer or a key shareholder	X	X	X	X
not having been a company auditor over the previous three years	X	X	X	X

Representation of men and women on the Board

Where the representation of men and women on the Board is concerned, we would remind you that the Board includes one woman and eight men among its members. To comply with the legal requirements, we are planning to appoint an additional woman to the Board at the General Meeting of 13 March 2014.

The principle of balanced representation between men and women on the Board will be one of the items at the Board's next review meeting.

4 Directors' concurrent appointments

The Company complies with the recommendation of the Middlenext Corporate Governance Code for Listed Companies, which recommends that a Director who holds an "executive" office does not hold more than three other directorships in listed companies, including foreign companies, outside their Group.

Refer to pages 42 and 43 of this document entitled "Board bodies".

5 Rules of procedure of the Board of Directors

The Board Rules of Procedure are available on the Company's website: www.manutan.com.

It is also specified that the Company's Internal Rules of Procedure were reviewed and then updated via a decision taken at the Board meeting of 18 December 2013, primarily to take the adoption of the Middlenext Code into account.

6 Limitations on Top Management's powers

According to internal procedures, the powers of Top Management (Chief Executive Officer and Deputy Chief Executive Officers) are limited. Therefore, in accordance with the provisions of the Rules of Procedure of the Board of Directors, the Board must approve the following transactions in advance:

• proceed with the purchase, sale or exchange of any building, real estate rights or business goodwill, of a value exceeding FIVE HUNDRED THOUSAND euros (€500,000) per transaction;

• proceed, for amounts exceeding FIVE HUNDRED THOUSAND euros (€500,000) per transaction, with the incorporation of companies or acquisitions or disposals of shareholdings of any form in any company;

• proceed with the incorporation or termination of any subsidiary, branch or office, either in France or in any other country;

• make investments and/or divestments of a value exceeding FIVE HUNDRED THOUSAND euros (€500,000);

• take out borrowings and/or loans exceeding FIVE HUNDRED THOUSAND euros (€500,000), supported or not by collateral in the form of mortgages, pre-emption right or pledging of the assets of the Company;

• pledge the assets of the Company in any form whatsoever;

• authorise and/or grant deposits and sureties, or other guarantees in the Company's name;

• authorise the hiring and/or the termination of any management executive's employment contract, according to the meaning of Article L.3111-2 of the French Labour Code, and/or of any managing director at the Group's subsidiaries;

• introduce any collective premium, profit-sharing, or employee savings schemes, any share subscription or purchase schemes, any free share allocation schemes or any other collective incentive or motivational scheme for the Company's employees and/or managing directors;

• introduce any retirement or contingency scheme for the benefit of the Company's employees and/or its Corporate Officers, or decide on any contribution to any scheme set up by a third party and that involves retirement or contingency benefits. The same applies to any material transaction outside the Company's stated strategy.

7 Organisation and operation of the Board of Directors and Committees during the financial year ended on 30 September 2013

The Chairman states that the new Board and Management bodies were appointed on 19 March 2013.

7.1 Mission of the Board of Directors

By exercising its legal prerogatives, the Board of Directors:

• sets the strategic guidelines for the Company's business activities and ensures that they are implemented;

• addresses any issues that affect the proper running of the Company, and settles the issues that concern it through its resolutions;

• defines the Company's financial communications policy;

• monitors the quality of the information provided to shareholders and to the markets;

• performs the controls and checks that it deems appropriate, specifically management controls;

• authorises the sureties, endorsements and guarantees granted by companies other than those operating banking or financial institutions, under the conditions specified in Article R.225-28 of the French Commercial Code;

• authorises the conclusion of regulated agreements in advance;

• chooses the way in which Top Management is organised: complementarity or dissociation of the Chairman and Chief Executive roles;

• appoints and dismisses the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers;

• defines the Top Management's remuneration policy and, where necessary, allocates total amount of attendance fees voted by the Shareholders' Meeting among the Directors;

• may co-opt Board Members under the conditions specified by the regulations in force;

• may create Specialist Committees, for which it appoints the members, sets the assignments and operating procedures;

• draws up management forecast documents;

• approves the annual financial statements submitted to the Shareholders' Meeting for approval;

• convenes and sets the agenda for the Shareholders' Meeting;

• reports on its actions in the report to the Shareholders' Meeting;

• approves the Chairman's report, determines the number of free shares or shares arising from the exercise of options that Executive Directors are bound to hold until the end of their mandate, in the event that options or free shares are awarded;

• determines the number of free shares or shares arising from the exercise of options that Executive Directors are bound to hold until the end of their mandate, in the event that options or free shares are awarded;

• approves the Chairman's report.

The Chairman's role

By exercising his legal prerogatives, the Chairman:

• organises and directs the work undertaken by the Board, and accounts for it at the General Shareholders' Meeting;

• ensures the proper running of the Company's bodies and specifically ensures that the Directors are in a position to fulfil their assignments;

• accounts for the composition, the conditions for preparing and organising the Board's work, as well as for the internal control and risk management procedures implemented by the Company in their report.

Moreover, the Non-Executive Chairman is also entrusted with the following additional assignments:

• representing the company, and relationship with professional federations, public authorities, domestic or international institutional authorities, and more generally, economic players;

• relationships with the Group's major customers or partners both at the domestic and international level;

• public relations with French or foreign subsidiaries;

• relationships with the Company's shareholders;

• seeking potential targets in order to encourage external growth projects;

• visiting trade shows.

7.2 The conditions for preparing the work of the Board of Directors

To enable Board members to adequately prepare for meetings, the Chairman endeavoured to communicate in to them, in advance, any necessary information or documents.

The annual financial statements, reviewed by the Audit Committee, and the draft report were sent to the members of the Board of Directors within a reasonable period prior to the meeting called to examine said documents.

Whenever requested by a Board member, the Chairman sent, as far as it is possible, any additional information and documents requested.

7.3 Holding of Board of Directors meetings

The Board of Directors meets as often as is in the Company's interest, and at least four (4) times per year. Meetings are convened in writing or orally, subject to a minimum eight days' notice.

The meetings were held at the registered office or at the Manutan Group's European Centre in Gonesse.

The Board has met seven (7) times since the start of the 2012/2013 financial year.

During this period, the attendance rate for members present or represented was 86%. The Statutory Auditors were invited to the Board meetings called to approve the annual and interim financial statements.

7.4 Subjects discussed at Board meetings and the business report

The main subjects discussed relate to its operation and preparation of its work, the examination of the annual and interim financial statements, the internal control, professional and pay equality policy and the Group's main capex projects.

7.5 Assessment of the Board of Directors' work

The Board has assessed the operation of the former Supervisory Board, in order to improve its operating conditions. This review was conducted internally with the members of the Board, by means of distributing a questionnaire at the Board Meeting of 14 December 2010. The results of said questionnaire were examined at the Board Meeting of 27 May 2011. With regard to the results of this assessment, the operation of the Board was judged to be very positive.

In accordance with Article 6 of the new Internal Rules of Procedure, which were updated on 18 December 2013, the Chairman of the Board shall invite its members to express their opinion on the operation of the Board and on the preparation of its work every year.

7.6 Management and prevention of conflicts of interest

Where the prevention and management of conflicts of interests is concerned, the Board's Rules of Procedure provide that: "In a situation that reveals or may reveal a conflict between the company's interests and their personal interests, either directly or indirectly, or the shareholder's interests or those of the group of shareholders that they represent, the Director in question must:

• inform the Board as soon as they become aware of the conflict;

• draw the appropriate conclusions regarding the exercise of their mandate. Depending on the case, they will therefore be required:

– either to abstain from voting on the corresponding resolution,

– or not to attend Board meetings during the period when they find themselves in a conflict of interest situation,

– or resign from their duties as a Director. The Director may be liable if they fail to comply with these abstention or withdrawal rules. A lack of information amounts to the acknowledgement that no conflict of interest exists.

Furthermore, the Chairman of the Board shall not be required to forward information or documents relating to the contentious issue to any Director(s) whom he has serious grounds to believe is or are in a conflict of interest situation, and shall inform the Board of Directors of the fact that they have not been forwarded.

8 Organisation and operation of specialised committees

8.1 Audit Committee

Where the Audit Committee is concerned, the Company adhered to the recommendations of the final Audit Committee report of 22 July 2010, which was drawn up by the working party chaired by Mr Poupart Lafarge.

The Audit Committee consists at 31 January 2014 of three independent members of the Board of Directors, appointed by the Board of Directors on 19 March 2013, for the duration of their appointments as Directors:

• Nicolas Huet, Chairman, independent;

• Carlo d'Asaro Biondo, independent;

• Jérôme Lescure, independent.

The Board took the view that members of the Audit Committee were independent, in accordance with the aforementioned criteria for the independence of Directors.

Furthermore, they all have specific skills in financial and accounting matters, given their academic qualifications and their professional experience (the professional experience of the Audit Committee's members is mentioned on pages 40 and 41).

The Audit Committee's main duties are to:

• examine the accounts and ensure the accounting methods used to draw up the consolidated and parent company accounts are relevant;

• monitor:

– the process for drawing up financial information;

– the effectiveness of the internal control and risk management systems;

– the audit of the accounts carried out by the Statutory Auditors;

– the independence of the Statutory Auditors. In this respect, the Committee must issue a recommendation on the proposal of Statutory Auditors to be appointed. The Audit Committee promptly informs the Board of Directors of any issues encountered during the course of its work.

The Audit Committee meets twice a year, before the Board meeting where the agenda includes the review of the annual and interim financial statements and/or the proposal to appoint the Statutory Auditors.

In addition, the Audit Committee meets every time that it views necessary, particularly in the event of an important development for the Company.

The Committee met twice during the 2012/2013 financial year. The main subjects discussed were consideration of the annual and interim financial statements as well as the direction and review of the Group's internal control programme. The attendance rate for this Committee was 100%.

Committee members are allowed sufficient time to examine the financial and accounting documents, and have had the option of meeting with the Statutory Auditors and the Company's Finance Director. The Committee reported its work to the Board, which recorded and monitored all recommendations.

8.2 Appointments and Remuneration Committee

The Appointments and Remuneration Committee consists at 31 January 2014 of three members of the Board of Directors, appointed by the Board of Directors on 19 March 2013, for the duration of their appointments as Directors:

- Carlo d'Asaro Biondo, Chairman, independent;
- Nicolas Huet, independent;
- Jérôme Lescure, independent.

The Board took the view that members of the Appointments and Remuneration Committee were independent, in accordance with the aforementioned criteria for the independence of Directors.

Appointment assignments

In the appointments area, the Committee:

- gives its opinion on the Chairman and Top Management's appointment plans, through the Board, at the Chairman's suggestion;
- examines and gives an opinion on appointment and replacement proposals for the Group's key executives;
- puts forward proposals for selecting Board Members and Committee Members, given the desirable balance between the composition of the Board, in view of the composition of and changes in the Company's shareholders, and of the split between men and women within the Board;
- reviews the independence of the Board Members and of the candidates for membership of the Board or of a Committee;
- draws up a succession plan for the Executive Directors, so as to be in a position to offer the Board succession solutions in the event of an unforeseen vacancy.

Remuneration assignments

This Committee's duties include making any recommendations on the remuneration of the Executive Directors to the Board of Directors. If requested by the Board of Directors, it may also issue advisory recommendations on the remuneration of the Group's key executives. It forwards these recommendations to the Board.

These recommendations cover all components of the remuneration package: the fixed component including benefits in kind, the variable component, any retirement bonuses, supplementary pension schemes, share subscription and purchase options, and free shares, irrespective of whether these components are paid, awarded or paid for by the Company, its parent company or a company under its control.

The recommendations may also relate to the breakdown between the various components comprising the total remuneration and the terms and conditions for the payment thereof, particularly in terms of performance.

Specific operating procedures

The Appointments and Remuneration Committee meets at least once a year, before the Board meeting where the remuneration of the Chairman and Top Management is reviewed, or which sets the agenda of a General Meeting convened to approve draft resolutions relating to issues that fall within its remit.

In addition, the Committee meets as and when required at the request of its Chairman, at its own initiative, or at the request of the Chairman of the Board.

The Committee met twice during the 2012/2013 financial year.

The main subjects discussed were a review of the remuneration method for members of the Board of Directors as well as setting the objectives for the calculation of remuneration.

The attendance rate at this Committee was 83%. The Committee reported its work to the Board, which recorded and monitored all recommendations.

9 Principles and rules for determining the remuneration of Corporate Officers

9.1 Remuneration of Directors (attendance fees)

The General Meeting of November 30, 2011 set at €150,000 maximum the total amount of directors' fees for the financial year in question, until a contrary decision was made.

In accordance with the provisions of the Board of Directors' Rules of Procedure, every Director may receive attendance fees, the amount of which is voted by the Ordinary General Meeting, and the allocation of which is decided by the Board of Directors, on the suggestion of the Appointments and Remuneration Committee, as follows:

- Directors who also serve as either Chairman of the Board or as Top Managers (Chairman of the Board of Directors, Chief Executive Officer or Deputy Chief Executive Officer) do not receive attendance fees;
- the Board will allocate attendance fees on a *pro rata* basis for Directors who are not part of the management team;
- Directors who also belong to a Committee will not receive any additional remuneration in this regard.

Every Director shall have the right to reimbursement of the travel costs incurred as part of the fulfilment of their duties.

9.2 Remuneration of the Chairman of the Board of Directors

At the suggestion of the Appointments and Remuneration Committee, the Board of Directors of 18 December 2012 has decided to set the remuneration of the (non-executive) Chairman of the Board of Directors, the amount of which is mentioned on pages 45 and 46, in view of his legal assignments aforementioned on page 58 and the following additional assignments that the Board has entrusted to him:

- representing the company, and relationship with professional federations, public authorities, domestic or international institutional authorities, and more generally, economic players;
- relationships with the Group's major customers or partners both at the domestic and international level;
- public relations with French or foreign subsidiaries;
- relationships with the Company's shareholders;
- seeking potential targets in order to encourage external growth projects;
- visiting trade shows.

9.3 Remuneration of the Executive Directors (Chief Executive Officer and Deputy Chief Executive Officers)

The Board of Directors has drawn up a remuneration policy for Executive Directors, including the remuneration for each as proposed by the Remuneration Committee.

This policy covers in detail the fixed, variable and exceptional remuneration and any benefits in kind granted by the Company (pension, retirement bonuses etc).

It is determined not only based on the work carried out, the results obtained, the responsibility assumed, but also with respect to the practices observed in peer companies and the remuneration of other management staff within the Company.

9.3.1 Calculation of the fixed component

The Board of Directors approves the fixed component of each Executive Directors' remuneration for a period of 12 months, based on the responsibilities assumed and market practices.

9.3.2 Calculation of the variable component of the remuneration

The Board of Directors approves the variable portion of each Executive Director's annual remuneration, based on the following quantitative criteria: turnover and pre-tax operating profit targets under minimal performance conditions. These quantitative criteria have been approved in detail by the Board; however, for confidentiality reasons, the fulfilment level of these criteria is not made public.

This variable portion is in a range of between 40% and 50% of the Executive Director's fixed annual remuneration.

9.3.3 Stock options and free shares

The information regarding free share allocations provided below relates to the allocations that were made to former members of the Management Board, who have all remained Executive Officers since the change in the governance model.

Allocation policy

- General policy

The allocation of free shares to the members of the Management Board in January 2009 took place within the broader context of an allocation to the eight members of the Executive Committee.

- Policy specific to Executive Directors

The Supervisory Board of 15 December 2008 decided, based on the proposals issued by the Appointments and Remuneration Committee, to set the following maximum percentages of stock options and performance shares that could be awarded to the Executive Directors in relation to the total budgets authorised by the Meeting:

– a number of options to subscribe for shares or to purchase shares representing a maximum 20% of the total budget set by the Combined General Meeting of 15 March 2007, itself representing a maximum 1% of the share capital;

– a number of free shares representing a maximum 20% of the total budget set by the Combined General Meeting of 13 March 2008, itself representing a maximum 1% of the share capital.

In addition, as proposed by the Remuneration Committee, the Supervisory Board meeting of 15 December 2008 set the maximum percentage of remuneration Executive Directors could be awarded in the form of stock options and free shares.

The Board has therefore decided that the value according to IFRS of the stock-options or performance shares that may be allocated in respect of the financial year cannot amount to more than 30% of his/her fixed and variable remuneration for the previous financial year.

The Board meeting of 15 January 2009 decided to award free shares to eight Executive Committee members subject to performance conditions, it being specified that the award of free shares is subject to two cumulative quantitative performance conditions.

Holding policy

With regard to the award of free shares, the Supervisory Board meeting of 15 December 2008 decided to set at 10% the quantity of free shares that could be awarded to Brigitte Auffret, member of the Management Board and Chief Executive Officer at that date, and which must be held in registered form until the termination of the Chief Executive Officer's position.

9.3.4 Bonuses, benefits and remuneration granted to Corporate Officers in the event of the termination of or change in their position

The Board of Directors meeting of 19 March 2013 renewed the indemnity likely to be payable to Brigitte Auffret, Director and Deputy Chief Executive Officer, in an identical amount, in the event that her employment is terminated in the following way:

In the event of redundancy (with the exception of cases of serious or gross negligence, force majeure, redundancy due to a physical inability recognised by the company doctor, retirement, early retirement or resignation) the Company agrees to pay Corporate Officers contractual compensation for the early termination of their employment contract, in addition to redundancy pay as provided for by the Law.

The amount of this gross compensation is fixed at 21 (twenty-one) months' salary (fixed basic salary + bonus but excluding exceptional incentives).

Payment of the contractual compensation is subject to the following performance conditions:

– average profit from operations over the three years preceding notification of the termination of the employment contract to be maintained above 4% of turnover; and

– stable positive consolidated net result over the past three financial years preceding the notification of the termination of the employment contract. These cumulative conditions are based on the consolidated results. The achievement of these objectives would be based on the consolidated accounts for the last three financial years, as approved by the Board of Directors and certified by the Statutory Auditors, prior to the notification of the termination of the employment contract.

The undertaking entered into on behalf of Brigitte Auffret, as set out above, amounts to a regulated agreement, which has already been approved by the Annual General Meeting of 13 March 2012; as Brigitte Auffret's term of office was renewed in March 2013, this undertaking will be submitted to the Annual General Meeting convened to approve the financial statements for the year ended 30 September 2013.

The Board meeting of 30 November 2011 decided to maintain the benefit of an Executive redundancy insurance policy taken out with the GSC, which provides the Class 6 Option 2 basic scheme and Class H Option 2 complementary scheme guarantees for the benefit of Brigitte Auffret, Director and Deputy Chief Executive Officer.

9.3.5 Pensions

Executive Directors do not benefit from any supplementary pension schemes.

9.3.6 Benefits in kind

Executive Directors have the use of a company car. Furthermore, Mrs Brigitte Auffret benefits from an insurance policy taken out with the GSC.

10 Participation of Shareholders in the General Meeting (Articles 16 and 17 of the articles of association)

General Meetings are attended by all shareholders irrespective of the number of shares they own.

The right to participate in General Meetings is now subject to the registration of shares in the name of shareholders or broker registered on their behalf, by the third working day preceding the General Meeting at midnight Paris time, (i) either in the registered securities ledgers kept by the Company (ii) or in bearer accounts kept by authorised intermediaries.

For bearer securities to be recorded the authorised intermediary must submit a corresponding statement of participation. If a shareholder is unable to personally attend the meeting, he/she may select one of the following three options: (i) Give voting authority to the individual or company of their choice under the conditions of Article L.225-106 of the French Commercial Code; (ii) Send the company voting authority without indicating an agent; (iii) Vote by post.

Requests by shareholders to include draft resolutions or points in the agenda must be sent to the Company's registered offices, by registered letter with a request for acknowledgement of receipt, or via electronic mail, and must reach the Company at least twenty-five days before the General Meeting is held, but may not be sent more than twenty days after the publication of the prior notice in the Official Journal.

11 Information likely to have an impact in the event of a public offer

This information is detailed in the report of the Board of Directors.

Internal control and risk management procedures

The report covers all entities within the Manutan Group, both operational and holding companies.

1 Risk management and internal control procedures established within the Manutan Group

The Manutan Group dedicated a team to internal control at the start of 2004, particularly to implement the conclusions drawn from an audit of risks carried out in September 2003. A Group risk management and internal audit manager has been leading this team since then, in accordance with the principles and objectives described below.

2 Definition of internal control and objective of the report

2.1 Company's objective for internal control

Within the Manutan Group, internal control should provide Management, the Board of Directors and Shareholders with reasonable assurance that:

- risks to which the Group is subject are identified and managed;
- the Group's operations conform to the law and regulations in force, as well as Group values and rules;
- the company's net assets are secure (asset protection);
- the published financial statements are prepared on a reliable basis that accurately reflects the operations and position of the Company.

The implementation of good internal control practices will also contribute to the reduction in risk of fraud and error within the Group. However, as with all means of control, the Group system of internal control cannot provide an absolute guarantee that all risks have been eliminated.

The methodology adopted by the Manutan Group is based on the COSO (*Committee of Sponsoring Organizations of the Treadway Commission*) standard and the internal control Reference Framework published by Middlenext: "Implementation guide for small and medium-sized listed companies", which was updated on 22 July 2010, sets out recommendations on risk management and internal control systems, and specifies the application of the Benchmark AMF Framework to medium-sized listed companies in the process.

2.2 Methodology adopted for the preparation of the report

This report was prepared by the Chairman of the Board of Directors, with the support of various players from internal control and more particularly the risk management and internal audit team that led the project.

Description of the internal control environment

1 General organisation of the Manutan Group

The Manutan Group is organised into operational areas (South, Centre, North, West and East), covering all subsidiaries, and is led by the parent company Manutan International.

In this respect, Manutan International hosts Group functional Departments (Marketing and Purchasing, Information Systems, Finance, Human Resources, Communications) that exercise a control function and provide expertise, advice and business-wide support.

The managers of the operational areas are responsible, within their area, for the implementation of a strategy and the achievement of objectives set by the Group Executive Committees.

The subsidiaries, within the areas, manage their operations in the various countries where the Group is present. Reporting to the area manager, they implement the Group's policy, while taking account of specific local conditions. To do this, they refer to the guidelines and procedures defined by the Group.

2 Organisation of internal control

The players

Even though management is responsible for the implementation of good internal control practices throughout the Group, the risk management and internal audit team is in charge of applying and co-ordinating procedures.

It defines the structure and procedures for the Group's internal control together with all key players, local operating staff and functional staff from head office. It also ensures, through fieldwork reviews, that stated rules are correctly applied.

The risk management and internal audit team is part of the Group Financial Management and reports to the Top Management and the Audit Committee.

The Board of Directors has a driving role in the implementation of internal control, both in terms of defining guidelines and internal standards, and the control of their understanding and translation into action plans.

Legal and operational control exercised by the Parent Company over its subsidiaries

Legal control (compliance with laws, regulations, and respect for internal rules for delegations of powers and duties) is ensured firstly by the presence of at least one member of the Group Board of Directors at the Boards of Directors of companies leading an operational area.

The Board of Directors is thus involved in local strategic decision-making (investments, development plans, etc.) within the limits of the duties contractually set with the Management.

This presence guarantees that local actions are in line with Group strategy. The Group Executive Committee is responsible for operational control.

It defines action plans required to implement the Group's strategy.

It also ensures the uniformity and consistency of practices within the Group. Finally, the Group Executive Committee is a means of communicating with subsidiaries and their staff.

In addition, the Management Control Department of Manutan International plays a key role in operational control:

- it deals directly with the operational realities of subsidiaries and may participate in the resolution of management difficulties beyond the single area of finance;
- it ensures regular control of operating performance via reporting and key performance indicators (KPI).

Finally, the Group Statutory Auditors complete the operational control framework by carrying out an external audit at each Group entity. Manutan International decided to appoint the same two firms for the audit of Group and all subsidiary accounts in order to ensure a standard method and consistent conclusions.

Risk management

The reorganisation of the Group's corporate governance, together with the resulting operational challenges, have focused the priorities of the internal audit and control unit on processes for controlling commitments and expenditure.

In accordance with the Audit Committee the following projects were successfully completed in the year just ended:

• review of the Group's risk mapping and of the risk assessment criteria;

• review and harmonisation of the bank signature and financial cash flow security processes in all subsidiaries;

• review of users' access rights as part of the project to roll-out an ERP at the Group level;

• follow-up of audits previously carried out internally, and points identified by the Statutory Auditors in the various subsidiaries with implementation of action plans;

• implementation of a budgetary and non-accounting monitoring process for major projects launched at the Group level;

• security reviews in conjunction with our insurance company experts and the supervision of work to be undertaken to align the warehouses to Group standards relating to physical security, and follow-up of matching points;

• various ad hoc projects to support various entities, such as assistance at financial year-end or preparing and helping with physical annual or continuous inventories;

• review of the inventory impairment and monitoring rules for a French and UK subsidiary: Sports et Loisirs SAS and IronmongeryDirect Limited.

Furthermore, the internal control and internal audit unit contributes to the main Group IT projects, making recommendations in the area of internal control.

Internal control procedures for key processes

The internal control and internal audit unit is responsible for developing and drafting Group procedures aimed at structuring and improving internal control, with the ultimate aim of improving risk management and performance levels. It is responsible for communications and awareness measures regarding this area.

The role of the Head of Internal Control is not limited to defining norms and ensuring they are correctly applied. He participates actively in implementing corrective actions undertaken by the operational entities, which are necessary to reduce non-compliance identified during the validation of Group procedures.

Standards and complementary tools

Projects undertaken for management of risks and internal control have led to the production of a number of documents and tools, representing useful sources that can be referred to by Manutan Group staff.

• Group procedures manual: Group procedures are being developed based on a standard format: context, objectives, scope, definition, procedure, applicable internal controls. The existing procedures can be found in a procedures handbook available from the Group Intranet. This handbook is revised and additions are made to it on an ongoing basis.

• Code of Conduct: sets out Group values and describes guiding principles for behaviour of various parties: employers, employees, customers, suppliers and other partners.

• Group accounting and financial manual: groups all the accounting, management and consolidation rules to be applied by the subsidiaries.

3 Persons responsible for the preparation and control of information

The preparation of Group accounting and financial information is the responsibility of the Group Financial Management who supervises the work carried out by local financial management.

The Board of Directors reviews the annual and interim financial statements as well as the management information presented thereafter to the Audit Committee and the Board of Directors.

Financial management procedures

The preparation and analysis of financial information is based on an integrated process, from the budgetary procedure and reporting process to the preparation of consolidated financial statements audited by the Statutory Auditors.

Budgetary procedure

Group Financial Management is responsible for overseeing the budgetary procedure. Budgets for countries and operating areas are generated on the basis of guidelines issued by the Board of Directors of Manutan International and exchanges between operating management, Group Financial Management and cross-functional departments (June).

Draft budgets for the areas are presented by area at the time of an official review carried out by the Board of Directors and Operating Management: strategic guidelines, projects and related resources as well as the resulting quantified objectives are commented upon (July).

Following possible revisions requested by the Board of Directors, the budgets for the operating areas and accordingly those of the corresponding companies are then validated (September). The draft Group budget is then amended to its final version (early October).

In October, the Group's targets and their financial impact are presented to and shared with the Group's senior Management team and its main managers.

Overall consistency is thus assured, with regard to the Group with its operating areas, areas with its countries, and functional managers with operating managers.

The budget serves as a benchmark throughout the year. Forecasts are reviewed and revised on a quarterly basis.

Reporting

Group reporting consists of a monthly monitoring of the performance of entities using specific indicators whose consistency and reliability are reviewed by Financial Management: these are standard indicators, based on the income statement, the balance sheet and analysis of cash flows, and also indicators to measure operating performance and the achievement of quantified objectives relating to priorities set for the year.

Compliance with Group accounting and financial principles

The proper application of Group accounting and financial principles is verified by Group Financial Management, as well as by the local Statutory Auditors.

Financial Management also provides advice and support in dealing with specific problems and non-current transactions.

Consolidation

The Manutan Group prepares consolidated financial statements every quarter as part of its internal management. Only the interim and annual consolidated financial statements are published today.

To achieve this, a detailed planning schedule and a description of the various steps and related duties are prepared for every quarterly closing of consolidated financial statements. These are accompanied by a list of information and documents to be provided in a consolidation package (e.g. representation letter, information for the notes to the consolidated financial statements, etc.).

The consolidation, a key step in the preparation of Group accounting and financial information, is carried out centrally by the Financial Management of Manutan International on the basis of the subsidiaries' consolidation packages, validated previously by local management and the Statutory Auditors and analysed by Group Financial Management (particularly for variances against budget).

The consolidation process is structured around various information exchange and validation meetings.

A local closing meeting, for interim and annual closings, is organised for every Group subsidiary. This brings together the local financial staff (frequently together with the Managing Director of the subsidiary), a representative of Group Financial Management and the local Statutory Auditors.

A systematic review of the financial statements is carried out, as well as a review of the consistency with Group accounting principles and compared to budget.

The audit issues raised by the local Statutory Auditors are also discussed.

The consolidated financial statements are reviewed quarterly by Financial Management, which present their analysis to the Board of Directors and the Audit Committee. Emphasis is placed on the turnover, results and cash position relative to budget, as well as on an analysis of major risks.

Use of Statutory Auditors' reports

The internal control manager summarises and reports all audit issues brought to his attention by the Statutory Auditors.

They then ensure internal audit follow-up on all of these issues, and participate as appropriate, in the implementation of corrective measures.

Description of the information system

All information that serves as a base for the preparation of the consolidated financial statements is managed by a single integrated tool that is shared by all Group companies and recognised as a benchmark in the market.

This tool is controlled by the Group Financial Management and brings together, in a unique and uniform format around a common financial standard, the various phases of financial information generation: budgets, reporting and consolidated financial statements preparation.

All analyses and discussions relating to financial information are based on information generated from this common tool.

4 2013/2014 outlook

The priorities identified in previous years: expenditure commitment management, securitisation of funds flow, inventory management, purchase management, IT security, and on-board control systems (information systems) are always relevant issues for the audits performed and will form the guiding basis for the involvement of the internal audit unit next year.

The work on securing our IT systems will intensify, primarily in view of the roll-out of the new Group ERP over several financial years.

The organisational challenges facing the Group will also remain a major line of work for the unit.

The internal audit and internal control unit will also continue to guarantee the physical security of assets and persons within the Group by performing site audits.

In line with the previous financial years, 2013/2014 will include a substantial amount of work on updating the structural elements of the internal audit and control unit:

- updates to risk mapping;
- improvements and updates to Group norms;
- follow-up of internal control points identified by the local/Group auditors.

Particular attention will continue to be paid to monitoring major ongoing projects, through audits performed at key stages, as well as through monitoring risks relating to costs, deadlines, and quality.

Furthermore, the Company will continue to remain informed of changes in the AMF (*"French Financial Markets Authority"*) Reference Framework.

Chairman
of the Board of Directors

Report of the Statutory Auditors on the report of the Chairman of the Board of Directors

Financial year ended at 30 September 2013

To the Shareholders,

In our capacity as Statutory Auditors of Manutan International and pursuant to the provisions of Article L.225-235 of the Commercial Code, we hereby present to you our report on the report prepared by the Chairman of your Company in accordance with the provisions of Article L.225-37 of the Commercial Code for the financial year ended 30 September 2013.

The Chairman is responsible for preparing and submitting for approval to the Board of Directors a report on the internal control and risk management procedures implemented within the Company and for providing other information required under Article L.225-37 of the Commercial Code relating, in particular, to the system of corporate governance.

It is our responsibility:

- to inform you of our observations on the information provided in the Chairman's report concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information; and
- to attest that the report contains the other information as required under Article L.225-37 of the Commercial Code, bearing in mind that it is not our responsibility to verify the accuracy of this information.

We performed our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

These standards require that we plan and perform our work so as to be able to assess the accuracy of the information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the Chairman's report.

In particular, these standards require that we:

- familiarise ourselves with the internal control and risk management procedures relating to the preparation and processing of accounting and financial information supporting the information presented in the Chairman's report along with any existing documentation;
- familiarise ourselves with the work supporting the information thus provided in the report and the existing documentation;
- determine whether any major internal control deficiencies relating to the preparation and processing of the accounting and financial information that we identified during the audit were suitably explained in the Chairman's report.

Based on our work, we have no comments to make on the information provided concerning the Company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information, as contained in the report of the Chairman of the Board of Directors, prepared pursuant to the provisions of Article L.225-37 of the Commercial Code.

Other information

We certify that the report of the Chairman of the Board of Directors contains the other information required by Article L.225-37 of the French Commercial Code.

Marcq-en-Barœul, 30 January 2014

Courbevoie, 30 January 2014

The Statutory Auditors,

KPMG Audit
Department of KPMG S.A.
Laurent Prévost
Partner

MAZARS

Simon Beillevaire
Partner

Special report of the Statutory Auditors on regulated agreements and commitments

To the Shareholders,

As Statutory Auditors of your Company, we hereby present to you our report on the regulated agreements.

It is our duty to inform you, on the basis of information provided to us, of the features and main terms and conditions of the agreements and commitments of which we have been made aware, or which we would have uncovered during our assignment, without having to issue an opinion on their usefulness or merits, or to look into the existence of other agreements or commitments. It is for you, according to Article R.225-31 of the French Commercial Code, to comprehend the effect of the completion of these agreements and commitments in order to approve them.

Moreover, it is our duty, where applicable, to disclose to you the information specified in Article R.225-31 of the French Commercial Code relating to the execution of agreements and commitments already approved by the General Meeting over the past financial year.

We undertook the checks and due care we believed necessary with regard to the professional standards of the National Organisation of Registered Auditors ("*Compagnie nationale des commissaires aux comptes*") in relation to this assignment. These checks consisted of verifying the consistency of information provided to us with the original documents on which it was based.

Agreement and commitments submitted to the General Meeting for approval

Agreements and commitments authorised during the last financial year

In accordance with Article L.225-40 of the French Commercial Code, we have been advised of the following agreements and commitments which have been given prior approval by your Board of Directors.

1. Renewal of the undertaking regarding the termination compensation for Brigitte Auffret that is liable to be payable in the event that her employment contract is terminated, and the related performance conditions

Board member

Brigitte Auffret

Nature and purpose

Given that the Board of Directors renewed Brigitte Auffret's appointment as Deputy Chief Executive Officer at its meeting of 19 March 2013, your Company also renewed the undertaking relating to the termination compensation liable to be payable to her due to the termination of her employment contract, together with the related performance conditions.

Accordingly, the contractual termination undertaking relating to Brigitte Auffret's employment contract is as follows: In the event of redundancy (with the exception of cases of serious or gross negligence, force majeure, redundancy due to a physical inability recognised by the company doctor, retirement, early retirement or resignation) the Company agrees to pay Mrs Brigitte Auffret contractual compensation for the early termination of their employment contract, in addition to redundancy pay as provided for by the Law.

The amount of this gross compensation is fixed at 21 (twenty-one) months' salary (fixed basic salary + bonus but excluding exceptional incentives).

This compensation will be governed by the social security and tax rules applicable at the time of the payment.

Payment of the aforementioned compensation is subject to the fulfilment of the following performance conditions:

- average profit from operations over the three years preceding notification of the termination of the employment contract to be maintained above 4% of turnover; and
- stable positive consolidated net result over the past three financial years preceding the notification of the termination of the employment contract.

These two cumulative conditions would be based on the consolidated profits and turnover for the last three financial years preceding the notification of the termination of the employment contract.

If Brigitte Auffret's appointment as a member of the Board of Directors is terminated, for any reason whatsoever, these performance conditions governing the granting of contractual compensation would become null and void at the end of a period of eight (8) months from the expiry date of the appointment.

Modalities

The commitment made for the benefit of Brigitte Auffret, as described above, has been authorized by the Board of Directors of 19 March 2013; it is subject to the shareholders' approval and will be submitted to your approval during the General Meeting held following the end of the financial year ended 30 September 2013, and will be resubmitted to you every time that her appointment as Deputy Chief Executive Officer is renewed.

2. Agreement entered into with Overtoom International Deutschland GmbH: partial waiver of a receivable with a claw-back provision

Board member

Pierre-Olivier Brial

Nature and purpose

Your company has partially written off a receivable, with a claw-back provision, on behalf of its subsidiary Overtoom International Deutschland GmbH.

The transaction is reflected in the Company's partial write-off of the receivable that it holds against the German subsidiary Overtoom International Deutschland GmbH, and which amounted to €330,000. The amount of the partial write-off has been set at €150,000, which reduces the balance of the intra-group current account to €180,000 following the transaction.

This subsidy has been granted in order to deal with operating losses that could compromise the ability to remain in business, for the purpose of rebuilding its operating income statement and for rebuilding its net accounting value.

The waiver of the receivable included a claw-back provision applicable, for the financial years ended as from 30 September 2013, when the company posts positive taxable income. As a result, in case of positive taxable income, the subsidiary Overtoom International Deutschland GmbH would agree to pay the Company or to record a credit on its account, within six months from the end of each company year, a sum equal to 50% of the positive taxable income until the waived receivable is discharged in full.

Modalities

This agreement was authorised on 12 September 2013 by the Board of Directors.

3. Agreement entered into with the Swiss subsidiary Fabritec–Overtoom GmbH: partial waiver of a receivable with a claw-back provision

Board member

Pierre-Olivier Brial

Nature and purpose

Your company has partially written off a receivable, with a claw-back provision, on behalf of its Swiss subsidiary Fabritec–Overtoom GmbH.

This subsidy has been granted in order to deal with operating losses that could compromise the ability to remain in business, for the purpose of rebuilding its operating income statement and for rebuilding its net accounting value.

The transaction is reflected in the Company's partial write-off of the receivable that it holds against the Swiss subsidiary Fabritec–Overtoom GmbH, and which amounted to €500,000. The amount of the partial write-off has been set at €210,000, which reduces the balance of the intra-group current account to €290,000 following the transaction.

The waiver of the receivable included a claw-back provision applicable, for the financial years ended as from 30 September 2013, when the company posts positive taxable income. As a result, in case of positive taxable income, the subsidiary Fabritec-Overtoom GmbH agrees to pay the Company or to record a credit on its account, within six months from the end of each company year, a sum equal to 50% of the positive taxable income until the waived receivable is discharged in full.

Modalities

This agreement was authorised on 12 September 2013 by the Board of Directors.

4. Agreement entered into with Manutan NV (Belgium): brand licensing agreement

Board member

Hervé Guichard

Nature and purpose

The Supervisory Board, meeting on 1 July 2002, authorised your Company to grant retroactively, for a period of ten years with effect from 1 October 2000 renewable by tacit agreement, a licence to use the Manutan brand to its subsidiary Manutan NV in Brussels.

In consideration for the use of this licence, Manutan NV is committed to paying your Company an annual royalty of 1.5% of its annual turnover excluding taxes.

Modalities

At its meeting of 12 September 2013, the Board of Directors authorised the renewal of the brand licensing agreement for a period of three years until 30 September 2016, under the same conditions.

The amount invoiced to the Manutan NV subsidiary amounted to €143,445 for the financial year ended 30 September 2013.

5. Agreement entered into with Manutan Unipessoal Lda (Portugal): brand licensing agreement

Board member

Xavier Guichard

Nature and purpose

The Supervisory Board, meeting on 1 July 2002, authorised your Company to grant retroactively, for a period of ten years with effect from 2 April 2000 renewable by tacit agreement, a licence to use the Manutan brand to its subsidiary Manutan Unipessoal Lda (Portugal).

In consideration for the use of this licence, Manutan Unipessoal Lda is committed to paying your Company an annual royalty of 1.5% of its annual turnover excluding taxes.

Modalities

At its meeting of 12 September 2013, the Board of Directors authorised the renewal of the brand licensing agreement for a period of three years until 30 September 2016, under the same conditions.

The amount invoiced to the Manutan Unipessoal Lda subsidiary amounted to €74,505 for the financial year ended 30 September 2013.

Agreements and commitments authorised since year-end

We have been advised of the following agreements and commitments, authorized since the end of last financial year, which have been given prior approval by your Board of Directors.

1. Agreement entered into with a member of the Board of Directors – Amendment to the employment contract

Board member

Pierre-Olivier Brial

Nature and purpose

Your Company's Board of Directors has decided to increase the gross fixed annual remuneration paid to Pierre-Olivier Brial to €190,000 for the period between 1 January 2014 and 31 December 2014 in respect of his contract as Group Marketing and Development Director, and to €100,000 in respect of his corporate office, which amounts to an overall increase of 3.6%.

The conditions of the variable remuneration remain unchanged: in addition to the gross fixed remuneration specified above, Pierre-Olivier Brial will be able to receive a variable remuneration, the payment of which will be conditional on his meeting defined targets. This variable remuneration shall amount to 40% of Mr Pierre-Olivier Brial's annual gross salary in the event that he achieves 100% of his targets, and shall not exceed 60% of his salary (maximum if he achieves 150% of the targets) under any circumstances. This variable remuneration will be paid once a year, once the Company's budget year has been approved, i.e. at the latest in January every year.

Modalities

This agreement was authorised on 18 December 2013 by the Board of Directors.

Agreements and commitments without prior approval

In accordance with articles L.225-42 and L.823-12 of the French Commercial Code, we inform you that the following agreements and commitments have not been given prior approval by your Board of Directors.

It is our role to inform you of the circumstances as a result of which the authorisation procedures were not followed.

1. Authorisation of the agreement of an interest-free loan to the Manutan European Centre Inter-Company Restaurant Association

Board member

Hervé Guichard

Nature and purpose

On 31 March 2012, your Company granted an interest-free loan amounting to €946,894.50 (nine hundred and forty six thousand, eight hundred and ninety-four euros, and fifty cents) for a period of 10 (ten) years to its Manutan European Centre Inter-Company Restaurant Association, for the purpose of its fixtures and fittings, and for no other purpose.

The redemption of this loan gave rise to an instalment schedule based on identical annual payments over a 10-year period, payable until 31 March 2022.

Modalities

As a result of the omission of a prior authorisation, we would inform you that your Board of Directors approved this agreement retrospectively at its meeting of 12 September 2013.

2. Agreement entered into with Manutan SA (France): brand licensing agreement

Board member

Hervé Guichard

Nature and purpose

The Supervisory Board, meeting on18 March 1998, authorised your Company to grant, for a period of ten years with effect from 1 April 1999 renewable by tacit agreement, a brand licensing agreement to its subsidiary Manutan SA.

In consideration for the use of this licence, Manutan SA is committed to paying your Company an annual royalty of 5% of its non-Group turnover excluding taxes.

Modalities

As a result of the omission of a prior authorisation, we would inform you that, at its meeting of 12 September 2013, the Board of Directors authorised the renewal of the brand licensing agreement for a period of three years until 30 September 2014, under the same conditions, with retroactive effect as from 1 October 2011.

The amount invoiced to the Manutan SA subsidiary amounted to €9,891,926 for the financial year ended 30 September 2013.

Agreements and commitments already approved by the General Meeting

Agreements and commitments authorised in previous years whose execution continued over the past financial year

Pursuant to the provisions of Article R.225-30 of the French Commercial Code, we were made aware that the execution of the following agreements and commitments already authorised by the General Meeting in previous financial years continued over the past financial year.

1. Agreement entered into with four members of the Board of Directors: benefit of the personal insurance and medical expenses schemes applicable to the Company

Board members

Hervé Guichard

Xavier Guichard

Brigitte Auffret

Pierre-Olivier Brial

Nature and purpose

Your Board of Directors has authorised Mr Hervé Guichard, Mr Xavier Guichard, Mrs Brigitte Auffret and Mr Pierre-Olivier Brial to benefit from the Group medical expenses and personal insurance scheme applicable to the Company in their capacity as Corporate Officers who are equivalent to senior executives.

Modalities

This agreement was authorised on 30 November 2011 by the Board of Directors.

2. Agreement entered into with a member of the Board of Directors: benefit of the personal insurance and medical expenses schemes applicable to the Company

Board member

Jean-Pierre Guichard

Nature and purpose

Your Board of Directors has authorised Mr Jean-Pierre Guichard to benefit from the Group medical expenses and personal insurance scheme applicable to the Company in his capacity as a Corporate Officer who is equivalent to a senior executive.

Modalities

This agreement was authorised on 14 December 2011 by the Board of Directors.

3. Agreement entered into with a member of the Board of Directors: suspension of the employment contract

Board member

Xavier Guichard

Nature and purpose

Your Company has suspended Mr Xavier Guichard's employment contract, in his capacity as a corporate officer.

The suspension of the employment contract shall have full effect throughout the term of Mr Xavier Guichard's appointment as Deputy Chief Executive Officer, as from the date of signing of said suspension agreement.

In the event of non-renewal or termination (regardless of the reason of the party who made the request) of the corporate office of Deputy Chief Executive Officer, or of any other directorship, including that of Chief Executive, entrusted by the Board of Manutan International, the existing employment contract between Manutan International and Mr Xavier Guichard shall immediately have full effect once again.

Mr Xavier Guichard shall resume his former position as Executive Director, or if this position were not vacant, a position that is at least equivalent in terms of its classification and level of responsibilities within said Company, or another of the Manutan Group companies in France. In that case, Manutan International guarantees that the new employer will apply the undertakings specified within the agreement regarding Mr Xavier Guichard.

He shall receive an annual remuneration of an equivalent amount to the last annual remuneration (fixed, bonus, and benefits in kind) granted in respect of his corporate office.

The full suspension period for Mr Xavier Guichard's employment contract, due to the fulfilment of his duties, shall be taken into account when calculating his seniority within the Company.

Modalities

This agreement was authorised on 30 November 2011 by the Board of Directors.

4. Agreement entered into with a member of the Board of Directors: suspension of the employment contract

Board member

Brigitte Auffret

Nature and purpose

Given the change in the Management system, the resulting expiry of Mrs Brigitte Auffret's appointment as a member of the Management Board and as Chief Executive Officer, and her appointment as Deputy Chief Executive Officer, your Company has signed an amendment to the agreement to suspend Mrs Auffret's employment contract, who is a member of the Board of Directors and Deputy Chief Executive Officer, relating to the employment contract as Group Administration and Finance Director entered into on 1 April 2008. The main terms of this amendment are as follows.

- The suspension of the employment contract will be effective for Mrs Brigitte Auffret's entire term of office as a Deputy Chief Executive Officer, as from the signature date of said suspension agreement.
- In the event of non-renewal or termination (regardless of the reason of the party who made the request) of the corporate office of Deputy Chief Executive Officer of Manutan International, or of any other directorship entrusted by the Board of Manutan International, the existing employment contract between Manutan International and Mrs Brigitte Auffret shall immediately have full effect once again.
- Mrs Brigitte Auffret shall resume her former position of Group Administration and Finance Director, or if this position were not vacant, a position that is at least equivalent in terms of its classification and level of responsibilities within said Company, or another of the Manutan Group companies in France. In that case, Manutan International guarantees that the new employer will also apply the undertakings specified within the amendment to the suspension agreement regarding Mrs Brigitte Auffret.
- She shall receive an annual remuneration of an equivalent amount to the last annual remuneration (fixed, bonus, benefits in kind, but excluding GSC) granted in respect of her corporate office.
- The full suspension period for Mrs Brigitte Auffret's employment contract, due to the fulfilment of her duties, shall be taken into account when calculating her seniority within the Company.

Modalities

This agreement was authorised on 30 November 2011 by the Board of Directors.

5. Agreement entered into with a member of the Board of Directors – Signing of an amendment to the employment contract

Board member:

Pierre-Olivier Brial

Nature and purpose

Your Company has amended Mr Pierre-Olivier Brial's employment contract via the signing an amendment, as Mr Brial is in a position where he concurrently holds an employment contract and a corporate office, as a member of the Board of Directors and Deputy Chief Executive Officer.

As from the signing of the amendment to his employment contract on 30 November 2011, Mr Pierre-Olivier Brial shall also hold the position of Group Commercial and Development Director. In this capacity, Mr Pierre-Olivier Brial's role will be to develop, organise and head the commercial and merchandising strategy that will be defined by the Group at the Group level.

Modalities

This agreement was authorised on 30 November 2011 by the Board of Directors.

6. Agreement entered into with Manutan s.r.o (Czech Republic): brand licensing agreement

Nature and purpose

The Supervisory Board, meeting on 11 July 2006, authorised your Company to grant, for a period of 10 years with effect from 1 October 2006, a brand licensing agreement to its subsidiary Manutan s.r.o.

In consideration for the use of this licence, Manutan s.r.o. is committed to paying your Company an annual royalty of 1% of its non-Group turnover excluding taxes, with effect from the financial year beginning on 1 October 2006.

Since the financial year beginning on 1 October 2007, this annual royalty has been raised to 1.5% of annual non-Group turnover excluding taxes.

Modalities

The amount invoiced to the Manutan s.r.o. subsidiary amounted to €132,148 for the financial year ended 30 September 2013.

Marcq-en-Barœul, 30 January 2014 | Courbevoie, 30 January 2014

The Statutory Auditors

KPMG Audit
Department of KPMG S.A.

Laurent Prévost
Partner

MAZARS

Simon Beillevaire
Partner

Financial communications calendar

Manutan International's financial year starts on 1 October and ends on 30 September.

Financial publication dates for the 2013/2014 financial year*

Q1 sales	16 January 2014
Q2 sales	16 April 2014
Half-year results	27 May 2014
Q3 sales	16 July 2014
Q4 sales	15 October 2014
Annual results	17 December 2014

* Dates subject to change | Publication after market closure.

The financial communications calendar and all the financial information are available to investors and shareholders on the Company's website, at the following address: www.manutan.com.

The Group Legal Affairs Department can answer any questions about the Manutan Group at:
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Comments financial year just-ended

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Highlights

Events in 2012/2013

January 2013

During Q1 2012/2013, the Manutan Group's business underwent growth of 5% (up 4.2% at constant exchange rates) compared to the same quarter of the previous year. Turnover amounted to €160 million, compared with €152 million for the previous financial year.

For instance, the acquisition of Sports et Loisirs in October 2012 enabled the Group to offset the fall of 5% (down 5.8% at constant exchange rates) in its historic scope of consolidation.

April

By the end of H1 2012/2013, the Manutan Group's business had undergone growth of 0.5% (up 0.1% at constant exchange rates) compared to the previous year. Group turnover amounted to €298 million, compared with €296.6 million for the previous financial year. On a like-for-like basis, the Group recorded a fall of 7.2% (-7.6% at constant exchange rates).

Furthermore, turnover in the second quarter amounted to €138.5 million, down 4.2% (non significant foreign exchange impact) compared with the second quarter of the 2011/2012 financial year, confirming a higher impact of the economic situation on the Group's operations. On a like-for-like basis, the turnover was down by 9.5%.

July

For the first nine months of the 2012/2013 financial year, the Manutan Group's turnover amounted to €433.6 million, compared with €429.8 million for the previous financial year. The Manutan Group registered an increase in business of 0.9% (+0.7% at constant exchange rates). On a like-for-like basis, the Group recorded a fall of 6.6% (-6.8% at constant exchange rates).

Turnover in the third quarter of 2012/2013 amounted to €135.5 million, an increase of 1.7% (+2% at constant exchange rates) compared with the third quarter of the 2011/12. On a like-for-like basis, the turnover was down by 5.3 %.

The Manutan Group also announces that it has acquired IronmongeryDirect Limited, an expert in delivering ironmongery products to tradesmen on the English market. The acquisition was funded entirely by the Group's equity capital. IronmongeryDirect, which is based in Basildon, east of London, was founded in 1969 and started as a simple ironmonger's. During its last financial year (closing on 31 December 2012), IronmongeryDirect generated revenue of 18.1 million pound sterling (growth of more than 20%) with an EBIT close to 8% of its turnover.

October

At the end of the 2012/2013 financial year, the Manutan Group's turnover amounted to €585.6 million, compared with €570.7 million for the previous financial year. The Manutan Group registered an increase in business of 2.6% (+2.7% at constant exchange rates). On a like-for-like basis, the Group recorded a fall of 6.6% (-6.5 % at constant exchange rates).

Turnover for the fourth quarter of 2012/2013 was up by 7.9% (+9% at constant exchange rates) year-on-year at €152.1 million, reflecting the difficulties that continue to plague the European markets. On a like-for-like basis, the turnover was down by 6.7% (-5.6% at constant exchange rates).

The Manutan Group also announces that it has acquired Ikaros Cleantech, specialising in products for the environmental protection on the Finnish and Swedish markets.

Ikaros Cleantech, which is based in Malmo, Sweden, was founded in 1991. The company rapidly established itself as the leading Scandinavian retailer of environmentally-friendly products (retention, absorption, storage of hazardous waste products, and waste collection). Its position relies on effective sourcing, combined with a strong customer marketing operation.

Ikaros Cleantech generated revenues of SKR 138 million (€16 million) during its last financial year (ended 31 December 2012) and operating income of around 5% of revenues.

This acquisition had no impact on the 2012/2013 financial year, as the Group will only consolidate Ikaros' results as from October 2013.

Manutan Group results and outlook

Acquisition-fuelled turnover and maintained profitability

The acquisitions made during the financial year enabled Manutan to boost its revenues. The Group once again demonstrated its resistance and ability to adapt to the economic environment across its historic consolidated scope, while maintaining its profitability. We are not expecting any material recovery in the trend over the coming months, although we will pursue our development-oriented investment policy, and will endeavour to maintain an acceptable profitability level.

Revenues increased thanks to acquisitions

Following a tough 2011/2012 financial year for the Group, revenues increased by 2.6% (+2.7% at constant exchange rates) over the 2012/2013 financial year, driven by the acquisition of Sports et Loisirs and IronmongeryDirect.

On a like-for-like basis, the Group recorded a fall of 6.6% (-6.5% at constant exchange rates). As envisaged, there were no significant changes in the economic situation towards the end of the year. The like-for-like growth rates confirmed the continued tensions in Europe, which are affecting all the Manutan Group's markets:

- First quarter (October to December 2012): +5%, -5% on a like-for-like basis (reminder: -1.9% in 2012)
- Second quarter (January to March 2013): -4.2%, -9.5% on a like-for-like basis (-1.4% in 2012)
- Third quarter (April to June 2013): +1.7%, -5.3% on a like-for-like basis (-4.6% in 2012)
- Fourth quarter (July to September 2013): +7.9%, -6.7% on a like-for-like basis (-3.9% in 2012) This fall is visible in most of the Group's markets (excluding consolidation scope effect), the United Kingdom being a notable exception, insofar as growth has taken off again in the West area over the second half of the financial year.

The West and South Areas benefited from the positive effect of the two acquisitions made over the financial year:

- the West Area saw its business volumes increase by 0.9% in local currencies over the year, at constant consolidation scope. The acquisition of IronmongeryDirect enabled revenues to increase by 15.5%;
- the South Area also benefited from a 12.9% consolidation effect thanks to the acquisition of Sports et Loisirs.

A sharply higher commercial margin

The commercial margin increased, reaching 38.1% of turnover compared with 37.5% for the previous financial year. This trend shows how efficient is the Group's strategy of pooling its purchases and rationalising the range of suppliers.

A solid operating profitability

Profits from operations increased by 11.4% during the financial year to reach €41.1 million (compared to €36.9 million for the previous financial year). Due to the hard work to adapt and streamline the cost structure, combined with an improved sales margin, profits from operations amounted to 7.0% of the turnover compared to 6.5% for the previous financial year, despite the fall in turnover in the Group's historical scope of consolidation.

After factoring in exceptional items, the operating profit remained at 6.3% of turnover, compared to 6.4% during the previous financial year. These exceptional items mainly concerned restructuring costs and the two acquisitions made during the period.

Net result slightly down

The increase in the Group's effective tax rate (35.4% in 2012/2013 compared with 34.2% in 2011/2012) was primarily due to the taxation changes decided by the French Government. Net financial income was also on a downward trend, primarily due to a fall on the return on investments.

The combination of these factors contributed to the fall in net income, which nonetheless amounted to around 4% of revenues (4.2% in 2011/2012). Meanwhile, earnings per share amounted to €3.06 (€3.14 in 2011/2012).

Financial structure and investment policy

The Group's financial strength: our strong point

Financial structure

Since its foundation, the Group's longstanding philosophy with regard to its financial policy consist of financing most operating investments (essentially IT solutions, marketing projects and logistics), as well as organic and/or external growth from internally generated financial resources.

This policy, together with a controlled management of working capital requirements, ensures that the Group enjoys a sound and lasting financial structure.

However, the Group has chosen to lease finance its HEQ (High Environmental Quality) European Centre in the Ile-de-France region, in order to preserve its financial balance and to seize financial leverage opportunities. Therefore, at 30 September 2013, the Group reported a long-term financial debt of €41.9 million (down by €2.8 million compared to previous financial year). The bulk of that debt corresponds to the financing of the European Centre and is included under fixed tangible assets in balance sheet assets.

The Group's financial position remains as sound as ever, since its long-term debt does not amount to more than 8.5% of the total balance sheet, down 1% compared to last year. Therefore, the ratio of shareholders' equity to permanent capital comes out at almost 87 %. In addition, the Group has confirmed credit lines from its bankers for a total amount of €65 million. These lines can be accessed at any time.

Net cash (cash and cash equivalents(1) minus short-term financial debt) decreased from €100 million to €76 million, as a result of the Group's decision to fund its acquisitions from equity capital.

This change can be analysed as follows:

- A 12% increase in cash flow from operations, reaching €41.1 million;
- A €3.4 million decrease in working capital requirements, of which:
  - -6.3 million euros on operating items (customers, suppliers and inventory);
  - +2.9 million euros on non-operating items (sundry receivables and liabilities, and tax), including €2.7 million in tax liabilities and receivables;
- A still sustained investment level to support the Group's development:
  - investments in intangible assets amounted to €7.7 million and mainly involved the information system overhaul project;
  - investments in tangible property and IT assets amounted to €6.5 million, mainly related to the leasing agreement for Sports et Loisirs;
  - acquisition of the securities of Sports et Loisirs and IronmongeryDirect Limited for 17.3 and 20.4 million euros respectively.
- The investments in the two previous years are summarised below:

2011/2012:

- investments in intangible assets amounted to €2 million and mainly involved the information system overhaul project;
- investments in tangible property and IT assets amounted to €4 million, mainly related to the European Centre;
- disposal of the property assets on rue Planchat in Paris' 20th district for €2.4 million.

(1) The Group defines its available cash flow as all cash and cash equivalents and investments of less than one year.

2010/2011:

- investments in intangible assets amounted to €3.7 million and mainly involved the information system overhaul project;
- investments in tangible property and IT assets amounted to €8.9 million, including €4.4 million invested in the European Centre property project;
- disposal of the Group holding company's historic property assets in Paris' 12th District for €7 million.

- A €13.8 million decrease in financial investments of over three months.
- and financing transactions, including:
  - repayment of €8.8 million in borrowings, mainly relating to the financing of the Group's European Centre;
  - distribution of cash dividends of €8.8 million in respect of the 2011/2012 financial year, a decrease compared to the previous financial year.

The main investments over the coming year will primarily involve the continued planned overhaul of our IT system, and the purchase of the Ikaros Cleantech securities.

In short, the financial structure of the Group remains healthy and robust and enables the Group to continue its expansion, either via IT related projects or other investment projects and external growth.

Real estate

The operation of storage warehouses is a key element of the Group's logistics business. The following table shows the main logistics sites currently operated by the Group.

Location	Warehouse area (in m²)	Ownership method	Type of asset
Gonesse, European Centre (France)	41,000	Finance lease	Warehouses & land
Molsheim (France)	10,000	Finance lease	Warehouses & land
Gonesse (France)	3,000	Rental	Warehouses
Bressuire (France)	4,500	Rental	Warehouses
Niort (France)	2,000	Rental	Warehouses
Den Dolder (Netherlands)	35,000	Full ownership	Warehouses & land
Verwood (United Kingdom)	9,153	Full ownership	Warehouses & land
Kemble (United Kingdom)	13,935	Finance lease	Warehouses & land
Basildon (United Kingdom)	4,080	Rental	Warehouses & land
Ostrava (Czech Republic)	27,600	Full ownership	Warehouses & land
Göteborg (Sweden)	8,980	Full ownership	Warehouses & land
Malmö (Sweden)	4,200	Rental	Warehouses & land
Moscow (Russia)	300	Rental	Warehouses

Breakdown of Group results by area

Manutan International is the Manutan Group holding (parent) company, with its shares listed on the Euronext Paris Stock Exchange for the last 27 years. As at 30 September 2013, the Group controlled 25 operating companies*, spread over 19 European countries, which are all developing an identical expertise as a multichannel retailer to businesses and local authorities.

Résultat en hausse de Manutan International

Its main missions are to:

- set and direct Group strategy;
- create a common momentum in terms of communications and human resources, in order to promote itself as an international Group;
- manage the IT, Marketing and Purchasing functions for the Group as a whole;
- implement and direct Group projects;
- assist Group companies to realise their objectives in fulfilment of its skills centre mission;
- guide and control the operational performance of the Group and ensure its ever continuing financial strength.

In 2012/2013, Manutan International was primarily involved in the following projects:

- coordination of the Group University project and sports centre;
- coordination of business-wide operational projects: development of the Group purchasing policy and rationalisation of suppliers, development of e-business turnover and Key Accounts policy;
- managing the recruitment processes for the Group's key employees;
- coordination of the project aimed at harmonising the Group's customer offering;
- managing, securing and adapting the cost structure against an adverse economic backdrop;
- redefining the risk management and internal control procedures, in line with the corporate project and the priorities defined with the Audit Committee;
- implementing and monitoring the integration schedule for the new Sports et Loisirs subsidiary;
- control of the Group's Information System project, under the umbrella of the Group Information Systems Department;
- managing and implementing the acquisition project of IronmongeryDirect Limited;
- managing and implementing the acquisition project of Ikaros Cleantech (which was completed after the year-end);
- supporting the development of the European Centre green spaces and garden project.

During the past year the Group subsidiaries re-invoiced Manutan International for services rendered totalling €4.1 million. The services provided by Manutan International to the Group subsidiaries were remunerated in an amount of €36.5 million. The company reported an operating profit of €1.8 million, after taking into account personnel costs of €10.8 million and depreciation and amortisation charges of €4.5 million.

Manutan International received €40.5 million in dividends from its subsidiaries. Moreover, a negative net movement between provisions and write-backs on investment holdings and loans granted was recorded for the financial year. That movement amounted to €0.6 million. After inclusion of financial expenses and income generated by net cash managed on behalf of the Group, financial result totalled €35.7 million.

Ultimately, after including an exceptional loss of-€0.7 million, employee profit-sharing of €0.4 million and a tax charge of €0.2 million, net accounting income amounted to €35.9 million.

*Including Ikaros Cleantech which was acquired on 10 October 2013, after the year-end.

Breakdown of Group results by area

Maintained profitability in a diverse landscape

For easier reading and comparison of each geographic area operating performance, the Group presents South and East areas operating results after restatement of Manutan brand royalties paid to Manutan International. Profit from operations corresponds to operating profit before non-current items.

SOUTH Area

Belgium (Manutan), Spain, France, Italy, Portugal

In thousands of euros	2012/2013	2011/2012	Change
Turnover	378,947	358,819	5.6%
Profit from operations	32,900	29,834	10.3%
Operating profitability	8.7%	8.3%	
Average headcount	961	895	7.4%

Improved profitability even excluding consolidation scope effect

The trend varied depending on the countries and brands included in the area:

- the French market recorded a 6.4% rise in its performance compared with the previous financial year, which was primarily driven by the acquisition of Sports et Loisirs at the beginning of the financial year (consolidation scope effect of 12.8% across the Area). Revenues at Manutan France decreased by 5%, reflecting the direct impact of the depressed market.
- business volumes in Italy and Portugal increased by 2.9% and 1.7% respectively compared with the previous financial year. This performance proves the appropriateness of the investments made in sales resources over the two previous years, especially in Italy;
- the new organisational structure in Switzerland, which was merged with Italy, enabled an 11.9% increase in revenues to be recorded.

The commercial margin in the area increased sharply, rising by 5 points to 36.3% (36.7% on a like-for-like basis) of turnover, compared with 35.8% in the previous financial year, due largely to the ongoing rationalisation of the Group's purchases and its roadmap for optimising purchasing processes at Camif Collectivités.

Thanks to tight control on overheads (which decreased by 7% over its historical consolidation scope), the Area reported an increased profit margin, which reached 8.7% of revenues, compared with 8.3% in the previous financial year. The operating margin was 9.2% at constant consolidation scope.

The first stage in the overhaul of the Group's IT system was completed successfully, with the roll-out of the Group ERP in Belgium (Manutan) on 1 October 2013.

Lastly, the planned harmonisation of the customer offering at the European level continued, with the launch of an offering where over 80% is shared by the South and Centre Areas in January 2014.

CENTRE Area

Germany, Belgium (Overtoom), Netherlands, Switzerland

In thousands of euros	2012/2013	2011/2012	Change
Turnover	114,434	120,189	-4.8%
Profit from operations	9,508	10,461	-9.1%
Operating profitability	8.3%	8.7%	
Average headcount	303	324	-6.4%

Resilient profitability thanks to an improvement in the commercial margin

Turnover for the area was down 4.8% compared with the previous financial year. This decrease reflects the problems that the Group encountered in the Benelux market.

Despite a decrease in revenues, the commercial margin improved, rising from 39% to 39.4%, and confirming the commercial decisions made. The area's result amounted to 8.3% of turnover, down 9.1%. This was nonetheless a satisfactory result in view of the environment.

Over the 2013/2014 financial year, the Group will launch a large-scale marketing campaign with double aim:

- completing the brand transition between the Overtoom and Manutan;
- winning further market share in order to boost revenues.

Lastly, the Group rolled out the new Group IT system in Belgium (Overtoom) on 1 October 2013. This roll-out was accompanied by the merger of the two Belgian entities, with the primary goal of developing commercial and operational synergies, seeking further synergies, and optimising the organisational structures.

WEST Area

Republic of Ireland, United Kingdom

In thousands of euros	2012/2013	2011/2012	Change
Turnover	55,697	49,061	13.5%
Profit from operations	4,865	3,263	49.1%
Operating profitability	8.7%	6.7%	
Average headcount	186	160	16.1%

Sharp increase in business volumes and profitability

The West area recorded an outstanding performance, with turnover up 13.5% compared with the previous financial year. This performance was primarily due to the acquisition of Ironmongery Direct Limited, which boosted the Area's revenues (contribution of €7 million). Like-for-like growth was also apparent, with a 0.9% increase in local currency. The growth was primarily driven by Key, the Area's generalist subsidiary.

Profitability improved significantly compared with the previous financial year for the fourth year running, thanks to an improvement in the commercial margin (+1.1%, or +0.4% at constant consolidation scope). This 49.1% new increase in profitability (+23% on a like-for-like basis) compared with the previous financial year confirms the strategic choices made by the local management team to adapt the area's structure to market challenges.

The acquisition of IronmongeryDirect enables the Group to:

- enhence its product offering;
- attracting customers from the craft and construction markets;
- reinforcing its position in the United Kingdom, a market where Manutan already operates under two brands, namely Key, its historic subsidiary, and Rapid Racking which was acquired in 2008.

NORTH Area

Denmark, Finland, Norway, Sweden

In thousands of euros	2012/2013	2011/2012	Change
Turnover	29,007	31,268	-7.2%
Profit from operations	2,307	2,761	-16.4%
Operating profitability	8.0%	8.8%	
Average headcount	69	73	-5.2%

Business volumes stalled after three years of consecutive growth

The area recorded a fall in its turnover by 7.2% compared with the previous financial year. Following three years of consecutive growth, business volumes contracted, reflecting the depressed state of the market during this period.

Operating expenditure was drastically adjusted to deal with this decrease, and registered a substantial fall of 5.6%. This management enabled the Group to contain the downturn in operating profitability, which remained at a reasonable level (8% compared with 8.8% in the previous financial year), despite a reduction in the commercial margin (40.4% compared with 40.8% in the last year).

The Group nonetheless remains confident in the capacity of local management to reverse the trend in the medium term.

Furthermore, the recent acquisition (on 10 October 2013) of Ikaros Cleantech, the leading Scandinavian retailer of environmentally-friendly products, which operates in Sweden and Finland, will boost the Area's growth.

EAST Area

Hungary, Poland, Czech Republic, Slovakia, Russia

In thousands of euros	2012/2013	2011/2012	Change
Turnover	17,484	19,996	-12.6%
Profit from operations	-85	539	-115.9%
Operating profitability	-0.5%	2.7%	
Average headcount	92	101	-8.8%

A substantial decrease in the profit margin

The East Area experienced a turbulent year, and recorded a performance that was worse than that for the previous year, including a 12.6% decline in its revenues. Business volumes continued to be heavily affected by the deterioration in the economic environment, and especially in the automotive sector.

All the countries in the area were affected by the adverse economy, except for Russia, which registered a 5.5% increase in its revenues.

It is also worth noting the improvement in the commercial margins (36.4% compared with 35.5%), thanks to the optimisation of the marketing policy.

The higher commercial margin could not prevent a contraction in operating profitability, which was markedly lower over the financial year. However, operating expenditure was reined in, and decreased by 1.8%, which demonstrates the Group's ability to adjust its cost structure during difficult periods.

A new management team for both Russia and the Eastern European countries was set up during the 2013/2014 financial year. The Group remains convinced about this area's medium-term development potential.

Other information

Subsequent events

On 10 October 2013, the Company acquired Ikaros Cleantech, specialising in products for the environmental protection on the Finnish and Swedish markets. Ikaros Cleantech generated revenues of SKR 138 million (€16 million) during its last financial year (ended 31 December 2012), and operating income amounting to around 5% of revenues.

On 1 October 2013, the Group merged its two Belgian entities, Manutan NV and Overtoom International Belgium NV.

The Company is not aware of the existence of any other subsequent events that would have a significant impact on the financial statements, as approved.

Research and development activities

The Company does not conduct any Research and Development activities. Nevertheless, its workforce strives to develop and improve work processes and practices that will have a positive impact on the Group's operations.

Presentation of the annual financial statements

There were no changes in the presentation of the annual financial statements or in the valuation methods used that would have a significant impact on the understanding of these financial statements.

Accounting for shareholdings

On 1 October 2012, the Company acquired Sports et Loisirs, the French leader in the local authority sporting equipment distribution market, thereby confirming its ambition of becoming a major operator in the local authority distribution market.

On 30 June 2013, the Company acquired Ironmongery-Direct Limited, which specialises in selling ironmongery to craftsmen in the UK, which enabled the Manutan Group to add to its offering, to attract a customer base in the crafts and construction market, and to boost its positions in the United Kingdom.

Additional information can be found in the table entitled "Information relating to the Company's subsidiaries and shareholdings" on page 140 of this annual report.

Non-tax deductible expenses and luxury item expenses

For the year just ended, the Company did not commit to or incur any expenses referred to in Articles 39-4, 39-5, 54 (4) and 223 (5) of the French General Tax Code ("*Code Général des Impôts*"), other than the excess depreciation calculated on the private vehicles used by the Company, representing €96,399.72.

Change in the financial or commercial position

We hereby declare that there were no material changes to the Company's financial or commercial position during and following the close of the financial year.

Issuer's risk factors

Risk management policy

Le mode de gestion des risques au sein du groupe ManuThe method of managing risks within the Manutan Group is based on the strengthening of internal control and assessment tool, as well as the optimisation of Group insurance average. The Group also focuses on improving its internal control procedures, particularly by developing tools to measure risks. This policy takes its form in projects placed under the supervision of the internal control function within the Group Financial Management. Various projects are monitored and this information is presented regularly to the Audit Committee.

The report of the Chairman of the Board of Directors on the governance and internal control procedures also provides an overview of the Group practices in this area (refer to pages 64 et seq. of this document).

The Group carried out a risk review, which could have a significant negative effect on its business, financial position or its results (or its ability to achieve its objectives). In its opinion there are not further major risks other than those presented.

Also, it is important to confirm that none of the risks identified to date will adversely impact on the Group's ability to operate as a going concern in accordance with recognised business practices and in compliance with applicable laws. This is taking into account in Group operating and investment decisions, as well as in the implementation of provision accounting policy.

Business risks

Customers

The great diversity of the Group's customer portfolio (over 600,000 customers covering all areas of activity) provides security against non-payment risks: no customer represents more than 3% of turnover. The Group customer risk is very low given the modest value of sales orders and the application of very strict credit control procedures, risk exposure to customers is thus insignificant.

Suppliers

With a base of almost 2,000 suppliers, the Manutan Group can easily adapt its procurement policy without depending on a specific product or supplier.

No supplier accounts for more than 4% of purchases. Imports, from outside Europe, also represent less than 5% of purchases. In addition, the sales volume of each specific product is low and the risk of unsold or obsolete stock is insignificant, given the great diversity of the Group's offering.

Operations

Despite the current economic environment, the impact of changes in economic conditions from one country to another is offset by the scale of the Group's geographical coverage. The Group's operations are exclusively based in Europe, where it is not exposed to any particular country risk. The Group business is not subject to any particular cyclical or seasonal patterns.

Raw materials

The Group is not directly exposed to risk relating to movements in the price of raw materials, but rather indirectly via the products it distributes.

To date, the impact of the trends in raw materials prices on the Group's operating margin has been limited, as shown in the year's results. In order to limit any impact, an active negotiation policy was implemented by the Group's procurement teams with the main suppliers.

The Group has also not judged it to be opportune to provide for this risk using derivative instruments, due to the features of its business.

Risks related to competition

The Group faces competition from other groups where its acquisition policy and like-for-like growth are concerned. As a result, strategic, commercial and competition-related information that specifically relates to the Group's structural external or organic growth projects is highly sensitive.

This is why the Group has introduced awareness-raising measures regarding confidentiality, the security of websites, and access management for its employees.

Risks related to reputation

The Group may face a major media event that jeopardises its image. It is specifically exposed to reputational risk when its values or operating excellence are found to be failing (accidents relating to health and/or security, or dispute with a customer). Such events may result in a campaign to blacken the Group's reputation.

Faced with these risks, the Group does everything that it can to prevent operational risk and campaigns that could blacken its reputation via its policies, organisational structure, procedures and governance.

Risk of default by a transport company

The variety of the Group's customers and their geographical location results in very diverse delivery systems.

In the event that one of the Group's transport companies is out of action for a sustained period, the consequences relating to replacing a transport company remain limited, both in terms of cost and delivery timeframes.

To manage this risk, the Group has flexibility and scaling options (sending deliveries from a supplier, relationships with a variety of transport companies and agreements with other transport companies), and a unit dedicated to transport, which enables a high level of responsiveness, *inter alia*.

Risks related to external growth transactions

Risks exist in the event of external development, primarily via acquisitions, including problems with integration, non-realisation of the expected gains and synergies, or else the departure of key employees. Risks relating to the valuation of the assets or liabilities may also appear following the completion of acquisitions, and may result in provisions for the impairment of assets.

The acquisition processes implemented by the Group, including during due diligence processes, aim to understand the uncertainties surrounding these various risks to the extent possible. The unit in charge of external growth carries out the due diligence, with the support of specialised and recognised local advisers.

The resulting assessment depends on the quality of the information that is forwarded, and is limited by the legal and regulatory framework applicable under local corporate law.

Risks linked to the protection of assets

The Group's sites and facilities, which primarily consist of warehouses and commercial buildings, may be exposed to malicious acts or accidents.

To prevent this type of risk, the Group has drawn up an asset protection policy. This policy, which is centrally managed, requires the entities to implement tried and tested solutions to reduce risk that cover the technical, legal, managerial and organisational fields.

Accordingly, all the sensitive sites are covered by measures aimed at preventing potential malicious acts, depending on their specific features.

Where the protection of intangible assets is concerned, the Group is continuing its initiatives (see Risk relating to information systems) with the dual goal of preventing any action with an internal or external origin.

Risks related to information systems

The rapid development of new technologies exposes the Group to several risks: IT attacks, hacking attempts, and technical breakdowns resulting in the unavailability of IT resources, as well as data theft. The Information Systems Department is responsible for the security of the networks and systems, as well as for the applications required for the Group's business continuity.

In line with the Group's internal control procedures and its security policy, these risks are the subject of appropriate functional, technical and legal security measures, and of controls on the implementation of action plans.

Industrial and environmental risks

The Group's companies ensure that their commitment to quality, environmental protection and workplace safety is fully integrated in their daily practices, in full compliance with local laws and regulations governing these matters. They are even proactive and involved in respecting the environment, a case in point being the double HEQ (High Environment Quality) certification of the Group's new European Centre built in Gonesse.

This study confirmed the low level of impact the Group has on the environment, and the absence of any known risk. The nature of the Group's business does not require it to handle products that present a significant industrial or environmental risk.

In addition, many Group companies with significant operations have had their distribution/sales processes certified for quality assurance. Manutan (France) was awarded the ISO 9001 certification in 1996, the first French distance selling company to receive this distinction. The Swedish and British entities were also awarded the ISO 14001 certification. Camif Collectivités was also awarded the ISO 9001 and ISO 14001 certifications (refer to page 29 of this document).

Market risks

The Group is not significantly exposed to market risks, given its sound financial structure and the small portion of its shares that are publicly held (26.53% at 30 September 2013).

Liquidity risk

The Company has carried out a specific review of its liquidity risk, and believes that it is in a position to honour its future repayment maturities.

In fact, the Group is not significantly exposed to liquidity risk, inasmuch as the cash position, net of financial debt, is positive.

Furthermore, the Group has arranged a €65 million credit facility programme.

The early repayment of financial debt is dependent on compliance with the following legal and financial covenants:

- an equity capital to medium and long-term financial debt ratio of less than 1;
- a net debt to cash flow ratio of less than 2.

Interest rate risks

The Group's financial policy consists in managing the overall interest-rate risk for the Group's net debt; the main aim is to guarantee the financial cost of medium-term debt, and so optimise the annual financial cost of net debt.

The Group has defined the derivatives likely to be used as hedging instruments in its policy. These products include interest-rate swaps and options (caps, floors and tunnels).

	Financial assets (a)		Financial liabilities (b)		Net exposure before hedging: (c) = (a) - (b)		Rate hedging instruments (d)		Net exposure after hedging: (e) = (c) - (d)	
In thousands of euros	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Within one year	22,000	58,179	666	10,884	21,334	47,295		643	21,334	47,938
1 to 5 years			1,013	22,904	-1,013	-22,904		482	-1,013	-22,422
After 5 years			201	17,821	-201	-17,821			-201	-17,821
TOTAL	**22,000**	**58,179**	**1,881**	**51,609**	**20,119**	**6,570**	**0**	**1,125**	**20,119**	**7,695**

(a) Financial assets: cash and cash equivalents, and short-term investments.

(b) Financial liabilities: borrowings and loans from credit institutions, debt relating to capitalised leased assets, and bank current account overdrafts.

Exchange rate risk

The Group is exposed to exchange rate risk essentially from its subsidiaries operating outside the Euro zone.

The Group implements a general risk management policy, which includes financial instruments like currency futures and options (like vanilla options and tunnels, etc.) and self-hedging processes. Most of the currency hedging contracts have a maximum maturity of 6 months.

The management of intra-Group transactions is carefully monitored by Group and local treasury functions.

A risk analysis has led to the following conclusion regarding foreign exchange hedging requirements:

- US dollar purchases;
- purchases in euros against the pound sterling, the Czech crown and the Swedish krona;
- sales of NOK and DKK against the SEK;
- sales of HUF and PLN against the CZK.

Over the financial year, the cash flows to be hedged amounted to €17.9 million, i.e. 5% of the purchase cost of the Group sold goods; therefore, the impact of any fluctuation in exchange rates on the Group would be limited.

Stock market risk

The Group's exposure to stock market risk is limited to its holdings of shares in the parent company, Manutan International, the only Group securities listed on a regulated market. These treasury shares totalled 13,062 at 30 September 2013 (refer to Note 8.11 "Change in shareholder's equity") and are recognised in shareholder's equity.

Credit risk

Due to the Group's business, credit risk is limited as "Trade receivables" consist of a large number of small accounts spread over several hundreds of thousands of customers. The Group's policy is to check the creditworthiness of all clients wishing to obtain credit. Client balances are monitored regularly, and as a consequence the Group's exposure to bad debts is limited.

Legal risks

The Group's distribution activity (selling to businesses) is subject to B2B distance selling laws currently in force.

The Group continues its objective of preventing legal risks by establishing and monitoring Group procedures to define and allocate the roles of responsibility of key players notably in purchasing, sales to major European accounts e-business, brands and domain names.

The Group is not aware of any current litigation or exceptional event that might have, or may have had in the recent past, a significant impact on its operations, profits, financial situation or net assets.

Furthermore, to date there have been no government, legal or arbitration proceedings, including any proceedings the Company was aware of, including suspended proceedings or threats of proceedings that might have, or may have had in the last twelve months, a significant impact on the financial situation or profitability of the Company or the Group.

Insurance risk

The Manutan Group has introduced a global programme as part of its risk management and financing policy. This programme provides a better coverage at a streamlined total cost.

Real estate damage and loss of profit coverage continues to be provided through a semi-integrated programme comprising a master "All risks excluding" policy covering Group companies based in France and foreign subsidiaries that manage warehouses and local multi-risk policies.

Annual risk visits by the insurer to the Group's principal logistics sites provide continuous improvement in risk prevention resources and in the awareness of those responsible within the Group.

Civil liability coverage is also provided through an integrated programme comprising a French master policy with a limit of €20 million and local policies with an annual limit of €1 million per loss, all damages included.

Group subsidiaries thus benefit from additional cover with difference in conditions or limits as part of the master policy.

The table and information below summarise the above coverage for the period from 1 October 2013 to 30 September 2014.

Civil liability before delivery or civil operating liability

All damages: €20,000,000 per loss* including:

- sudden pollution, accidental environmental damages: €2,000,000 per loss per insurance year; this amount also includes damage to tangible and intangible assets;
- workplace accidents and occupational diseases due to inexcusable conduct: €5,000,000 per loss per insurance year;
- non-consecutive consequential loss: €3,000,000 per loss.

Civil liability following delivery (or works) and professional liability

All damages and expenses: 20,000,000 euros per loss per insurance year:

- of which 4,000,000 euros per loss per insurance year for all non-consecutive consequential loss, removal/reinstallation fees, and withdrawal fees incurred by the insured or third parties;
- of which €1,000,000 per loss per insurance year for the preventive expenses listed in Exclusion 22.

* Per loss per insurance year in the event of involvement in the US and Canada.

Excess deductible from the settlement of any claim

- Civil liability before delivery: personal injury: N/A, except workplace accidents and occupational diseases due to inexcusable conduct: €7,500; non-consecutive consequential loss: €1,600; other damages: €1,000 except for the WC, staff organisations, meetings, and social cultural, sporting and relational events: €300.
- Civil liability after delivery: personal injury: None; consequential damage to tangible and intangible assets: €5,000; non-consecutive consequential loss, removal/reinstallation fees, and withdrawal fees incurred by the insured or third parties, preventive expenses: €10,000; USA-Canada (including personal injury): €15,000.

In the event that several guarantees are activated for the same loss, or of several guarantees with different excesses, the highest excess amount will be the one applicable, in one instalment. In the event that several policyholders are involved by the same loss, only one excess will be applied.

- Defence and appeals: €50,000 per loss for criminal defence and appeals, subject to a single intervention of €1,500 per dispute. In the other cases (civil defence), the defence costs are included in the amounts of the guarantees, and are not additional.

Policies	Warranties	Excess
Material damages and operating losses	• General maximum limit under the policy: €100,000,000	€15,000 for sites with sprinkler systems/loss €30,000 for sites without sprinkler systems/loss
	• Damage to electrical equipment: €1,000,000 per loss	€15,000
	• Breakages of machines on power lift trucks/pallet trucks/aerial lifts including all IT/office and electronic risks: €10,000,000	€15,000 Except all IT risks: €1,000
	• Natural events/subsidence: €15,000,000	€15,000
	• Contents theft and damage to property: €200,000	€15,000
	• Theft of cash from a safe or secure goods: €30,000	€1,000
	• Theft of cash in transit: €30,000	€1,000
	• France offices	€1,500
	• Automatic additional cover: €15,000,000 or €5,000,000 depending on territorial area	
	• Fees and losses (including 10% indirect losses): €7,500,000	
	• Third party damages: €10,000,000	
	• Experts' fees : according to standard fee scale	
	Under guarantees for operating losses:	
	• Supplier and/or trade liability including power outages excluding natural events: €7,500,000 • Supplier and/or trade liability including power outages excluding natural disasters: €2,500,000 • Additional fees: €7,500,000	Average excess: 3 days' gross margin of the loss site for sites with sprinkler systems; 5 days' gross margin for sites without sprinkler systems, except in cases of power outages in which it is 1 day's gross margin of the loss site

Personnel risks

The Group is not aware of any particular exposure to personnel risks, other than those that would normally be associated with the conduct of its business

Ethical risks

Even though the Group is not exposed to major ethical risks due to the nature of its business, it is highly aware of this aspect of its corporate citizenship. Group companies conduct their ordinary business in compliance with ethical rules and good practices, which its partners are made aware. The Group has issued a Code of Conduct listing the major aspects of this policy.

Financial statements

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at 30 September 2013

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Report of the Statutory Auditors on the consolidated financial statements

Financial year ended 30 September 2013

To the shareholders of Manutan International,

In compliance with the assignment entrusted to us by your General Meeting, we hereby present to you our report for the financial year ended 30 September 2013 on the:

- audit of the accompanying consolidated financial statements of Manutan International S.A.;
- justification of our assessments;
- the specific verifications required by Law.

The annual consolidated financial statements have been prepared by the Board of Directors. It is our responsibility to express an opinion on these consolidated financial statements based on our audit.

Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis or using other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements.

An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the consolidated financial statements, prepared in accordance with IFRS standards as adopted in the European Union, give a true and fair view of the consolidated assets and liabilities, financial position, and net income of Manutan International and its subsidiaries for the financial year then ended.

Justification of our assessments

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

At the end of each accounting period, the Company systematically conducts impairment tests on the value of goodwill, in accordance with the procedures described in Notes 7.4 and 8.1 in the notes to the financial statements. We have examined the procedures for implementing these impairment tests, as well as the cash flow forecasts and the assumptions used, and we have checked that Notes 7.4 and 8.1 to the financial statements provide the appropriate information.

The assessments thus undertaken are within the framework of our consolidated accounts full audit approach, and accordingly, contributed to the expression of an unqualified opinion in the first part of this report.

Specific verifications

We also carried out, in accordance with professional standards applicable in France, the specific verifications required by Law on the information provided in the Group’s management report. We have no comments to make concerning their fairness and consistency with the consolidated financial statements.

The Statutory Auditors

Marcq-en-Baroeul, 30 January 2014
KPMG Audit
Department of KPMG S.A
Laurent Prévost
Partner

Courbevoie, 30 January 2014
Mazars

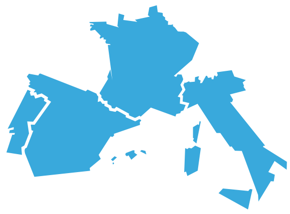
Simon Beillevaire
Partner

ORGANIZATION CHART AT 30 SEPTEMBER 2013

Manutan International

Held by	Share	Company	Country
Manutan International	100%	Manutan SA	France
Manutan International	100%	SCI Philippe Auguste	France
Manutan International	94.44%	Manutan NV	Belgium
Manutan International	100%	Manutan Italia Spa	Italy
Manutan International	100%	Manutan Unipessoal Lda	Portugal
Manutan International	100%	Manutan Sl	Spain
Manutan International	100%	Camif Collectivités – Entreprises SAS	France
Manutan International	100%	Sports et Loisirs SAS	France
Manutan International	100%	Manutan Ltd	United Kingdom
Manutan Ltd	100%	Key Industrial Equipment Ltd	United Kingdom
		Key Procurement Ltd	United Kingdom
		Key Industrial Publication Ltd	United Kingdom
Manutan Ltd	100%	Euroquipment Ltd	United Kingdom
Manutan Ltd	100%	Metro Storage Systems Ltd	Republic of Ireland
Manutan International	100%	The Eurostore Group Ltd	
The Eurostore Group Ltd	100%	Rapid Racking Ltd	United Kingdom
Manutan International	100%	Group Hardware Ltd	
Group Hardware Ltd	100%	IronmongeryDirect Ltd	United Kingdom
Manutan International	100%	Manovert BV	Netherlands
Manovert BV	100%	Overtoom International BV	Netherlands
Overtoom International BV	100%	Overtoom International Belgium NV	Belgium
Overtoom International BV	100%	VSF Planservice BV	Netherlands
Overtoom International BV	100%	Overtoom International Nederland BV	Netherlands
Overtoom International BV	60%	Fabritec – Overtoom GmbH	Switzerland
Manovert BV	40%	Fabritec – Overtoom GmbH	Switzerland
Manutan International	70.7%	Overtoom International Deutschland GmbH	Germany
Manovert BV	29.3%	Overtoom International Deutschland GmbH	Germany
Manutan International	100%	Manutan s.r.o	Czech Republic
Manutan International	100%	Trovatar a.s.	Czech Republic
Manutan International	100%	Manutan Polska Sp z.o.o.	Poland
Manutan International	100%	Manutan Hungária Kft	Hungary
Manutan International	100%	Manutan Slovakia s.r.o.	Slovakia
Manutan International	100%	Manutan Russia o.o.o.	Russia
Manutan International	100%	WITRE AB	Sweden
WITRE AB	100%	WITRE A/S	Norway
WITRE AB	100%	WITRE Danmark A/S	Denmark
WITRE AB	100%	WITRE Oy	Finland

Area South

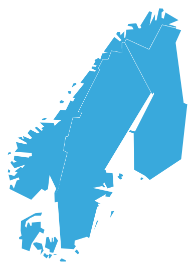


Area West

Area Centre

Area East

Area North



Assets

In thousands of euros	*Notes*	30/09/2013	30/09/2012	30/09/2011
Non-current assets				
Goodwill on acquisitions	*8.1*	89,724	64,465	62,096
Other intangible assets	*8.2*	25,724	21,393	24,883
Tangible assets	*8.2*	113,437	110,348	104,970
Investment real estate	*8.4*	485	480	483
Non-current financial assets	*8.5*	966	694	3,666
Deferred tax assets	*8.21*	3,277	3,088	3,149
		233,613	**200,468**	**199,247**
Current assets				
Inventories	*8.6*	36,669	34,497	33,477
Trade receivables	*8.6*	130,803	126,647	130,400
Other receivables and prepaid expenses	*8.7*	5,197	3,818	5,171
Current tax receivables		3,476	1,697	548
Marketable securities and current assets	*8.9*	22,000	35,770	29,830
Cash and cash equivalents	*8.9*	58,179	66,775	63,913
Assets held for sale	*8.10*	0	199	1,159
		256,324	**269,403**	**264,499**
TOTAL ASSETS		**489,937**	**469,873**	**463,746**

Equity and liabilities

In thousands of euros	*Notes*	30/09/2013	30/09/2012	30/09/2011
Equity				
Share capital		15,227	15,227	15,227
Share premium		5,796	5,796	5,796
Consolidated reserves		283,411	270,455	248,372
Result		23,277	23,869	28,497
Group shareholders' equity	*8.11*	327,711	**315,347**	**297,892**
Non-controlling interests		218	182	176
TOTAL EQUITY		**327,929**	**315,529**	**298,068**
Non-current liabilities				
Non-current portion of financial debts	*8.12-8.13*	41,940	44,686	46,246
Provisions for employee benefits	*8.14*	1,971	1,975	1,759
Deferred tax liabilities	*8.21*	5,590	4,102	2,604
		49,501	**50,764**	**50,609**
Current liabilities				
Provisions for liabilities and charges	*8.15*	2,945	2,614	3,222
Current portion of financial debts	*8.12-8.13*	11,618	9,782	9,345
Trade liabilities		62,618	59,714	69,727
Other liabilities and accrued income	*8.16*	33,495	29,343	30,116
Deferred tax liabilities		1,831	2,128	2,658
		112,507	103,581	115,068
Total liabilities		**162,008**	**154,344**	**165,677**
TOTAL EQUITY AND LIABILITIES		**489,937**	**469,873**	**463,746**

Statement of comprehensive income at 30 September 2013

In thousands of euros	Notes	30/09/2013	30/09/2012	30/09/2011
Turnover (net)	8.24	585,646	570,751	587,838
Cost of goods sold		-362,561	-356,492	-368,341
Gross margin		223,085	214,259	219,497
Sales and administrative expenses	8.17	-181,982	-177,407	-180,351
Profit from operations	8.24	41,103	36,853	39,146
Other operating income/expenses	8.19	-4,363	-254	2,056
Operating profit		36,740	36,599	41,202
Financial income	8.20	1,249	2,243	1,926
Financial expenses	8.20	-1,820	-2,492	-1,859
Profit before tax		36,169	36,350	41,269
Income tax	8.21	-12,832	-12,449	-12,738
Net result		23,337	23,901	28,531
• Non-controlling interests		60	32	34
• Attributable to Group share		23,277	23,869	28,497
Net earnings per share, Group share, excluding treasury shares				
• basic (in euros)	8.22	3.06	3.14	3.75
• diluted (in euros)	8.22	3.06	3.14	3.75

Other components of comprehensive income
au 30 septembre 2013

In thousands of euros	Notes	30/09/2013	30/09/2012	30/09/2011
Net result		23,337	23,901	28,531
Items that cannot be reclassified through income				
Employee commitments actuarial differences		318	-259	233
Share-based payments	8.11	0	0	130
Tax on items that cannot be reclassified through income		-115	93	-80
Total items that cannot be reclassified through income		**203**	**-166**	**283**
Items that can be reclassified through income				
Conversion differences	8.11	-2,342	4,365	-561
Net change in the fair value of financial instruments*		66	40	103
Tax on items that can be reclassified through income		-24	-13	-35
Total items that can be reclassified through income		**-2,300**	**4,392**	**-493**
Total gains and losses directly allocated to equity		**-2,097**	**4,226**	**-210**
Net result and gains and losses directly allocated to equity		21,240	28,127	28,321
Attributable to:				
• Owners of the Company		21,180	28,095	28,287
• Non-controlling interests		60	32	34

* Change in the fair value of the efficient portion of the instruments.

Statement of changes in equity

at 30 September 2013

In thousands of euros	Share capital	Share premium	Consolidated reserves	Result	Securities in the consolidating entity	Group shareholders' equity	Minority interests
AT 30/09/2010	**15,227**	**5,796**	**234,940**	**24,387**	**-1,629**	**278,721**	**161**
Result:							
• net result allocation			24,387	-24,387			
• financial year				28,497		28,497	34
Paid dividend (€1.20 per share)			-9,117			-9,117	-20
Income/expenses directly allocated to equity			-210			-210	
Impact of purchases/sales of treasury shares							
AT 30/09/2011	**15,227**	**5,796**	**250,000**	**28497**	**-1,629**	**297892**	**176**
Result:							
• net result allocation			28,497	-28,497			
• financial year				23,869		23,869	32
Paid dividend (€1.40 per share)			-10,640			-10,640	-26
Income/expenses directly allocated to equity			4,226			4,226	
Impact of purchases/sales of treasury shares			-664		664		
AT 30/09/2012	**15,227**	**5,796**	**271,419**	**23,869**	**-965**	**315,347**	**182**
Result:							
• net result allocation			23,869	-23,869			
• financial year				23,277		23,277	60
Paid dividend (€1.16 per share)			-8,816			-8,816	-24
Income/expenses directly allocated to equity			-2,097			-2,097	
Impact of purchases/sales of treasury shares							
AT 30/09/2013	**15,227**	**5,796**	**284,375**	**23,277**	**-965**	**327,711**	**218**

Consolidated cash flow statement

at 30 September 2013

In thousands of euros	*Notes*	2012/2013	2011/2012	2010/2011
Opening net cash and cash equivalents		**64,490**	**61,984**	**54 725**
Operating activities				
Cash flow	*8.23*	40,374	36,680	34,003
Movement in working capital requirements	*8.23*	3,365	-7,324	-12,834
Cash flow generated by operating activities		43,739	29 357	21,168
of which interest paid		-1,211	-1,885	-1,845
of which income tax paid		-14,030	-12,538	-11,409
Investing activities				
Intangible asset acquisitions	*8.2*	-7,759	-1,983	-3,670
Tangible asset acquisitions	*8.2*	-6,468	-3,973	-8,911
Financial asset acquisitions/disposals		269	573	45
Properties, facilities and equipment disposals (1)		931	2,490	7,071
Impact of changes in the scope (2)		-37,158	0	0
Movement in non-current assets borrowings		534	-862	193
Cash flow related to investing activities		-49,651	-3,755	-5,272
Financing activities				
Cash dividend distribution to shareholders of parent company		-8,816	-10,640	-9,117
Cash dividend distribution to minority interests		-24	-9	-20
Repayment in financial debts (3)		-8,761	-7,917	-5,421
Increase in financial debts		0	476	0
Loan increase		0	-100	0
Cash flow related to financing activities		-17,600	-18,191	-14,557
Change in marketable securities and current assets		13,770	-5,940	6,040
Conversion differences		-730	1,035	-121
Change in cash and cash equivalents		-10,471	2,506	7,258
Closing net cash and cash equivalents		54,019	64,490	61,984
Group cash position at year-end	*8.9*	76,019	100,260	91,814
Net cash and cash equivalents		54,019	64,490	61,984
Marketable securities and current assets		22,000	35,770	29,830

(1) The tangible asset disposals relate to the sale of the Manutan NV premises in Brussels.

(2) Acquisition of Sports et Loisirs and IronmongeryDirect.

(3) Repayment of financial debt primarily involves the European Centre property lease.

Notes to the consolidated financial statements

note 1 Reporting entity

The financial statements and notes for the financial year ended 30 September 2013 have been prepared based on the consolidated accounts of the Manutan Group. They are presented by Manutan International, a Limited Company with a Board of Directors, based at ZAC du Parc des Tulipes, Avenue du 21e Siècle in Gonesse, France. Manutan Group's business is the distance selling of office and industrial products, supplies and consumables to businesses and local authorities.

note 2 Declaration of compliance

Pursuant to European Regulation No. 1606/2002 of 19 July 2002 on international standards, Group Manutan's financial statements were drawn up in accordance with international financial reporting standards (IAS/IFRS), published by the International Accounting Standards Board (IASB) and adopted by the European Union. There are no differences with respect to the IASB standards.

The consolidated financial statements were duly approved by the Board of Directors on 18 December 2013, and did not give rise to any comments. They will be submitted for approval to the General Meeting on 13 March 2014.

note 3 Basis for preparation

The financial statements are presented in euros, rounded to the nearest thousand euros. The euro is the functional currency used to present the Group.

They were prepared based on acquisition costs, except for the following assets and liabilities, which are measured at fair value: derivative financial instruments, investments held for trading, financial instruments classified as held for sale.

Non-current assets and groups held for sale are measured at the lower of their book value and fair value, after deducting disposal costs.

The accounting methods presented below were applied consistently to all periods presented in the consolidated financial statements.

Accounting principles were applied consistently by all Group entities.

The Group applied the following standards for the first time on 1 October 2012, although they had no material impact on its annual financial statements:

Amendments to IAS	Presentation of other elements in comprehensive income
Amendments to IAS 12	Deferred taxes: recovery of underlying assets

A certain number of new standards, amendments to standards, and interpretations will enter into effect for financial years beginning after 1 January 2013, and were not applied in advance when preparing these consolidated financial statements. The new standards, amendments to standards and interpretations that are relevant for the Group are listed below:

IAS 19	Employee benefits
IAS 27	Separate financial statements
Amendments to IFRS 7	Disclosures: offsetting financial assets and financial liabilities
IFRS 10	Consolidated financial statements
IFRS 11	Partnerships
IFRS 12	Disclosures of interests in other entities
IFRS 13	Fair value measurement
Transitional provisions	Amendments to IFRS 10, IFRS 11 and IFRS 12 – Consolidated financial statements, partnerships, and disclosures of interests in other entities

Note that the impacts of draft standards and interpretations currently being studied by the IASB and IFRIC were not forecasted in these financial statements.

note 4 Use of estimates and assumptions

The preparation of consolidated financial statements in compliance with IFRS requires Management to make accounting estimates and assumptions, which have an impact on the application of accounting standards and affect the reported value of assets and liabilities posted to the balance sheet, as well as income and expense items recognised in the income statement. Underlying estimates and assumptions are determined based on past experience and other factors considered as reasonable given the circumstances. They act as a basis for making judgments necessary to the determination of the carrying amount of assets and liabilities, which cannot be obtained directly from other sources. This relates primarily to the valuation of tangible and intangible assets in the context of impairment tests, the valuation of the amount of provisions for liabilities, provisions for the impairment of inventories and deferred tax assets. Actual values could differ from these estimates.

Underlying estimates and assumptions are reviewed on an ongoing basis. The impact of changes in accounting estimates is recognised in the period the change is made if it affects this period only and in the period the change is made and subsequent periods if they are also affected by the change.

note 5 Significant events

5.1 Acquisition of Sports et Loisirs

On 15 October 2012, the Manutan Group acquired 100% of Sports et Loisirs' shares, France's leading retailer of sports equipment to local authorities.

During its last financial year (ended 30 June 2012), Sports et Loisirs generated revenue of €48 million with an EBIT close to 5% of its revenue.

Manutan Group's acquisition of Sports et Loisirs will bolster the Group's footprint in the local authorities market in France, building on the acquisition of Camif Collectivités in 2009.

5.2 Acquisition of IronmongeryDirect Ltd

On 12 July 2013, the Manutan Group acquired IronmongeryDirect, an expert in delivering ironmongery products to tradesmen on the English market.

During its last financial year (closing on 31 December 2012), IronmongeryDirect generated revenue of £18.1 million with an EBIT close to 7.6% of its turnover.

The acquisition of Ironmongery Direct enables the Group to add to its offering, to attract customers from the craft and construction market, as well as to boost its positions in the United Kingdom. Manutan already operates in the UK market via two companies, Key, its historic subsidiary, and Rapid Racking, which was acquired in 2008.

note 6 Manutan Group: consolidation scope

Companies included in the consolidation scope were fully consolidated. They apply the same accounting standards (called "Group accounting standards") for the recognition and presentation of transactions and similar events.

The consolidation scope is detailed in Note 9.

note 7 Main accounting methods

7.1 Business combinations

When an entity is included in the consolidation scope, the assets, liabilities and any identifiable liabilities of the acquired entity that meet the IFRS accounting criteria, are accounted for at fair value, determined on the acquisition date.

Adjustments to the values of assets and liabilities relating to acquisitions accounted for on a preliminary basis (due to ongoing work by the accountants) are recognised retrospectively if they take place within a period of twelve months from the acquisition date. After this deadline, the effects are recorded directly in the results, unless they correspond to the correction of errors.

7.2 Financial year-end date

Company accounts consolidated were those with a financial year ended 30 September 2013, with the exception of Manutan Russia o.o.o., whose financial year ends on 31 December, requiring the preparation of special accounts for the period from 1 October 2012 to 30 September 2013.

7.3 Translation of foreign-currency denominated financial statements and transactions

The operating currency of foreign subsidiaries is their local currency.

The accounts of foreign companies whose financial statements are not denominated in euros are translated as follows:

- balance sheet items are translated using the financial year-end closing rate;
- income and expenses for a company abroad are converted into euros using the average exchange rate for the financial year, provided this is not distorted by sharp movements in prices.

Conversion differences arising on the opening equity and on movements in equity during the year (increase in capital, acquisition, etc.) or on income statement items are included in equity and allocated between Group equity and minority interests. The effect of these differences is reported separately in the statement of changes in equity.

Transactions in foreign currencies are converted into the respective currencies of the Group entities by applying the current exchange rate on the transaction date. Assets and liabilities denominated in foreign currencies on the year-end date are converted into the functional currency using the exchange rate on that date. Any resulting conversion differences are recognised in the income statement.

7.4 Goodwill on acquisitions

Goodwill is the difference between the consideration paid and the overall fair value measurement of the assets and liabilities identified as at the acquisition date.

The fair value of the consideration paid includes discounting the debt in the event of deferred or staggered payment. In contrast, acquisition costs are recognised as expenses in the income statement.

In addition, identifiable assets and liabilities at the date of acquisition are valued at their fair value.

The Group performs an impairment test on all goodwill on acquisitions. The recoverable value is calculated for every Cash Generating Unit (CGU) to which goodwill on acquisitions can be allocated. As regards the Manutan Group, each of the five operating areas constitutes a CGU so long as synergies exist between the different entities operating in the same geographic market using common operating resources, with a single operational management. Nevertheless, in certain cases, a single legal operational entity may constitute a CGU.

The value-in-use of the CGU is calculated based on the method of discounting forecast operating cash flow after tax and renewal investments. These forecasts are detailed in the business plans drawn up by each CGU and validated by Group management in the context of its operational supervision. The business plan period, which is generally three years, is completed by two years of extrapolations and an end value, which is calculated on the basis of capitalisation to perpetuity of cash flows with a moderate growth rate limited to the inflation rate in the operational area. The discount rate used is the WACC calculated per CGU at each financial year-end, on the basis of a debt/equity ratio corresponding to the average of companies within the same sector.

These impairment tests are performed at least once per year at each financial year-end.

7.5 Other intangible assets

Other intangible assets are recorded at their acquisition cost, which includes purchase price as well as all costs incurred to bring them into use, reduced by amortisation charges and value impairment writedowns.

Computer software licences and upgrades are amortised from the date they enter service on a straight-line basis over a period from 1 to 7 years, depending on their purpose and useful life.

Furthermore, intangible assets are subject to impairment tests if impairment indicators are identified.

7.6 Tangible assets

Tangible assets are recorded at their acquisition cost, which comprises the purchase price as well as all costs incurred to make them available for use, reduced by depreciation charges and value impairment writedowns.

Depreciation is calculated using the straight-line method over the expected useful life of the asset from the date it enters service:

- buildings: 20 to 30 years for buildings used mainly as warehouses and offices;
- fixtures and fittings: 10 to 15 years;
- computer hardware: 3 to 5 years;
- other assets (motor vehicles, equipment and tools, office furniture and equipment): 5 years.

7.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the period of the lease.

Leases in which the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the fair value of the leased real estate. Each lease payment is allocated between the liability and finance charges in order to achieve a constant rate on the finance balance outstanding.

Fixed assets acquired within this framework are depreciated over their useful life

7.8 Investment real estate

Investment real estate comprises land and/or buildings owned by the Group, or for which the Group enjoys the rights of possession, that the Group does not directly use in its core activities.

Investment real estate is presented on a separate line in the Balance Sheet. They are valued at the lower of their amortised cost or market value.

7.9 Trade receivables

Trade receivables consist of a large number of small accounts spread over several hundreds of thousands of customers. These receivables are recorded at their invoice value.

A provision is posted for these receivables according to the risk of non-recovery. This is assessed taking into consideration their specific risks and a statistical risk calculated according to their ageing.

7.10 Inventories

Inventories are recognised at their average weighted unit cost and valued at the lower of their acquisition cost or net realisable value. Gross value comprises the purchase price and related expenses (freight, packaging and other direct expenses).

Provisions for writedowns are based on the following considerations:

- obsolete items;
- slow-moving items;
- showroom inventory and goods on consignment.

7.11 Derivative financial instruments

Derivative financial instruments are initially recognised at their fair value as assets/liabilities under "Marketable securities and cash". They are then measured again at fair value at each closing of the accounts. The recognition method of the associated gain/loss depends on the derivative being designated as a hedging instrument, and, where applicable, on the nature of the hedged item.

The Group thus distinguishes between:

- hedges of recognised assets, liabilities and firm commitments. Gains and losses measured on derivative instruments and hedged items are recognised as financial income/expenses for the effective portion of the hedge, as well as for the portion deemed non-effective;
- hedging of risks specific to recognised assets or liabilities, or highly probable future transactions, also designated as "cash flow hedges". Movements in the fair value of the hedge portion deemed effective are recognised under equity. Income/expenses recognised on the non-effective portion are recognised under other income/expenses in the income statement.
- hedges of net investments in foreign entities. Fair value movement recognition follows the same rules as cash flow hedges.

Movements in the fair value of derivatives that do not comply with hedge accounting or have not been designated as such are recognised under financial income/expenses in the income statement.

In accordance with IFRS 7, the fair value of financial assets and liabilities can be defined as follows:

- via reference to a listed price on an active market, where one exists; this fair value is ranked under Level 1, as specified by the standard;
- by using a valuation based on a model that factors in observable data for unlisted instruments like derivatives or financial asset and liability instruments that are not classified under Level 1; this fair value is classified under Level 2, in accordance with the standard.

7.12 Cash and cash equivalents

In accordance with IAS 7 "Cash flow statements", the "cash and cash equivalents" item appearing on the consolidated balance sheet and cash flow statement include cash on hand and demand deposits together with short-term, highly liquid investments whose investment horizon is less than three months.

Cash investments with an investment horizon of 3 - 12 months are presented in "Marketable securities and current assets".

Nonetheless, in order to guarantee all cash is accounted for, the Group treats its total available cash flow as being effectively comprised of the balance sheet aggregates "Cash and cash equivalents" and "Marketable securities and current assets".

An analysis of this area is presented alongside the "Cash flow statement" and in Note 8.9 "Cash and cash equivalents".

7.13 Assets and liabilities held for sale

Non-current assets held for sale comprise assets whose value the Company intends to recover by selling the assets rather than through their operating use.

Assets are classified under "Non-current assets held for sale" when they meet the following essential criteria:

- a disposal plan is ongoing;
- the asset is available for sale in its current condition;
- the sale is likely to go through within a reasonable time frame.

Non-current assets held for sale are valued at their amortised historical cost or at market value (which corresponds to their fair value, less sale costs), if lower.

7.14 Share subscription or purchase options

In accordance with IFRS 2 "Share-based payments", share subscription or purchase options awarded to employees are recognised in the financial statements using the following methods: the estimated fair value of the options awarded, which corresponds to the fair value of the services rendered by the employees in exchange for the options received, determined on the award date. It is recognised over the vesting period of the rights, by increasing the equity in "Payments in shares and similar" and by decreasing the corresponding amount in "Personnel costs".

7.15 Employee benefits

In accordance with the laws and practices of each country, the Group participates in various pension plans that provide for medical and pension benefits, whose amounts vary in accordance with seniority, salary, and payments made to State sponsored mandatory plans.

Service awards

These were measured based on an actuarial calculation. Commitments were calculated for all employees concerned. The Group recognises actuarial gains and losses in equity.

Defined contribution plans

For defined contribution plans (such as the French contributory plan), charges relate to the contributions are expensed during the financial year in the income statement. These plans carry no subsequent liability by the Group to its employees.

Defined benefit plans

This relates essentially to pension plans with fixed benefits and pension plans based on end of career salary, which complement mandatory State sponsored plans.

A provision is established for rights acquired by personnel employed at the end of the year as regards supplementary pensions, when they are not covered by a pension fund or insurance.

These commitments were subject to an actuarial valuation in accordance with local country laws and practices. All costs relating to pension entitlements payable to pensioners and rights acquired by employees were determined on the basis of conventions or agreements in force at each company. The Group accounts for actuarial gains and losses in shareholders' equity.

7.16 Turnover

Turnover comprises the sale of products and related services, including transportation, mounting, etc.

Turnover is recognised at the date of transfer of the product's risks and benefits. In addition, the implementation of a strict credit management policy enables the Group to ensure at the sales order phase that no sale will result whose collection is doubtful.

7.17 Product returns provision

A provision is established to cover the costs of products returned after the year-end. This takes into account the loss of gross margin as well as costs directly related to such returns (transport, packaging, repair, etc.). The provision depends on the return rate determined statistically by each company.

7.18 Promotion costs

Promotion costs are expensed to the income statement at the time of their realisation. In particular, catalogue production and printing costs are expensed on the date that the printers make those catalogues available.

7.19 Other operating income and expenses

This item recognises the effects of any key events that occurred during the accounting period, which would distort the company's recurring business performance. It is used to record a limited number of unusual, abnormal or infrequent income and expense items of significant amounts. These entries are a result of exceptional events that are unrelated to the Group's normal business activity, such as:

- securities acquisition expenses;
- gains on disposals of property assets;
- personnel expenses resulting from managerial reorganisations, etc.

7.20 Financial income and expenses

Financial income comprises:

- income associated with cash and cash equivalents;
- gains on disposals and gains on changes to the impairment of financial assets;
- income associated with cash and cash equivalents;
- income associated with the discounting of assets and liabilities;
- foreign exchange gains on items not hedged. Financial expenses comprise:
- interest expense on borrowings and bank overdrafts;
- the cost of inefficiency on hedging and foreign currency transactions;
- losses on disposals and losses on changes to the impairment of financial assets;
- expenses associated with the discounting of assets and liabilities;
- foreign exchange losses.

7.21 Income tax

Income tax (expense or income) includes the tax expense (or income) payable and the deferred tax expense (or income). The tax is recognised in the profit or loss unless it relates to items accounted for directly in shareholders' equity, in which case it is recognised in shareholders' equity.

Tax liability

The tax liability is the amount of tax payable on taxable profits for a period, determined by applying the current tax rate applicable in each country of operation to the taxable profits of each corresponding Group entity.

Deferred taxes

Deferred taxes are determined using a liability method, which is a balance sheet approach, for all temporary differences between the book value of assets and liabilities and their tax bases. The measurement of deferred tax assets and liabilities is based on the method the Group expects to use to recover or adjust the book value of assets and liabilities using the tax rates adopted at financial year-end.

A deferred tax asset is only recognised to the extent that it appears likely to be recovered over a reasonable timeframe, based on the latest updated forecasts. Deferred tax assets are reviewed at each year-end, and impaired in the event that they are unlikely to be recovered.

Any variation in the rates of taxation on deferred assets previously posted is recorded in the profit and loss, unless the effect relates to an item accounted for in shareholders' equity, in which case it will be recognised in shareholders' equity.

Deferred taxes are presented in the balance sheet separately as tax assets and liabilities and classified as non-current items.

Manutan International heads a tax grouping that includes Manutan France and Camif Collectivités, pursuant to Article 223-A of the French General Tax Code.

7.22 Earnings per share

Earnings per share is calculated on the basis of net income attributable to shareholders of the parent company. The number of shares used in the calculation is the average number of shares in circulation during the past year, less any holdings of shares in the parent company.

7.23 Segment information

All Group companies carry out the same business in the countries where they are located. Accordingly there is just one sector of business.

Areas retained correspond to the operating areas established in the financial year, which reflect the geographic emplacement of Group assets. They group together companies from several countries that share similarities in terms of operations, customer behaviour, product and service offerings, and economic conditions, enabling operating synergies. Inter-areas transactions, as well as the non-operational activities of the holding company are presented in "Others".

The information reviewed and used by the Group's main operational decision-makers is based on five operating areas. Accordingly, the Group communicates about five operational areas, which include the following countries:

- North: Sweden, Norway, Denmark, Finland
- Centre: Belgium (Overtoom), Netherlands, Germany, Switzerland
- East: Czech Republic, Poland, Slovakia, Hungary, Russia
- South: France, Italy, Portugal, Belgium (Manutan), Spain
- West: United Kingdom, Republic of Ireland
- Other: holdings and inter-area transaction eliminations.

The accounting principles and practices used to present the segment results and assets are the same as those used by the Group. Manutan brand royalties collected by Manutan International from the South and East areas are offset under "Other" in order to improve the comprehension of operating performance and facilitate comparison between areas.

note 8 Notes to the consolidated financial statements

8.1 Goodwill on acquisitions

In thousands of euros	Acquisition date	30/09/2012	Acquisitions Additions	Disposals Reversals	Exchange rate movement	Reclassifications	30/09/2013
Net value							
Centre CGU	01/04/1995	32,596					32,596
Sports et Loisirs CGU	15/10/2012		9,365				9,365
West CGU	(1)	29,936	16,830		-936		45,830
East CGU	(2)	1,933					1,933
TOTAL		**64,465**	**26,195**	**0**	**-936**	**0**	**89,724**
Accumulated amortisation							
Centre CGU		0					0
West CGU		0					0
East CGU		0					0
TOTAL		**0**	**0**	**0**	**0**	**0**	**0**
NET VALUE		**6,4465**	**26,195**	**0**	**-936**	**0**	**89,724**

(1) Two transaction occured during the financial years 1998/99 dans 2007/08, and acquisition of IRONMONGERY in 2013.

(2) Three transactions occured during the financial years 1998/99, 2000/01 and 2004/05.

At 30 September 2013, a growth to perpetuity assumption limited to 2% per year of cash flows was used to arrive at the end value. The discount rate varies depending on the CGU and related country risk. The rate applied in 2012/2013 was 6.5 % for Centre CGU, 6.5 % for West CGU and 6.2 % for East CGU. The rate applied in 2011/2012 was 7.4% for Centre CGU, 6.4% for West CGU and 8.7% for East CGU.

The Group has performed sensitivity tests on reasonably likely changes in the key assumptions (revenue growth rate, gross margin, and discount rate) involving changes of plus or minus 1% (individually or as an aggregate). These sensitivity tests have not revealed any likely scenario that would result in an impairment of goodwill.

Two acquisitions occurred during the past year:

- in the Sports et Loisirs CGU, acquisition of 100% of the securities in Sports et Loisirs on 1 October 2012;
- acquisition of 100% of the securities in Ironmongery-Direct in the West CGU on 30 June 2013;

Goodwill relating to Sports et Loisirs

The value of Sports et Loisirs' identifiable assets and liabilities on the acquisition date can be summarised as follows:

In thousands of euros	Net book value	Fair value adjustment	Fair value recognised at the time of the acquisition
Acquisition cost of the securities		0	17,267
Net identifiable assets and liabilities	7,902	0	7,902
Non-current assets	*8,748*	*0*	*8,748*
Current assets	*17,339*	*0*	*17,339*
Non-current liabilities	*-5,030*	*0*	*-5,030*
Current liabilities	*-13,155*	*0*	*-13,155*
Goodwill on acquisitions	9,365	0	9,365

Since the acquisition date, Sports et Loisirs has contributed 1.5 million euros to the Group's net result and 45.8 million euros to consolidated turnover.

The goodwill of €9.4 million primarily consists of Sports et Loisirs' expertise and know-how, as well as of the existing synergies with the Camif Collectivités distribution network and logistics resources.

Goodwill relating to IronmongeryDirect

The value of IronmongeryDirect's assets and liabilities on the acquisition date can be summarised as follows. The provisional allocation of the acquisition costs as at 30 September 2013 was as follows:

In thousands of euros	Net book value	Fair value adjustment	Fair value recognised at the time of the acquisition
Acquisition cost of the securities	20,332	0	20,332
Net identifiable assets and liabilities	3,502	0	3,502
Non-current assets	*1,910*	*0*	*1,910*
Current assets	*6,645*	*0*	*6,645*
Non-current liabilities	*-209*	*0*	*-209*
Current liabilities	*-4,844*	*0*	*-4,844*
Goodwill on acquisitions	16,830	0	16,830

Pursuant to IFRS 3 regarding business combination, all the assets and liabilities acquired are currently being assessed, together with the acquisition costs.

Since 30 June 2013, Ironmongery has contributed 0.6 million euros to the Group's net result and 7 million euros to consolidated turnover.

8.2 Assets

Other intangible assets

Intangible asset amortisation charges are recognised in profit from operations.

Changes in the 2012/2013 financial year

In thousands of euros	30/09/2012	Acquisitions Additions	Acquisitions via business combinations	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2013
Gross values							
Software	51,591	695		-2,817	287	-89	49,667
Assets under development	4,439	6,889	10		-297	-5	11,036
Other	614	175	3,235		10	-20	4,013
TOTAL	**56,644**	**7,759**	**3,245**	**-2,817**	**0**	**-114**	**64,716**
Depreciation							
Software	-34,692	-4,936		2,817		76	-36,735
Assets under development							
Other	-559	-364	-1,354			20	-2,257
TOTAL	**-35,251**	**-5,300**	**-1,354**	**2,817**	**0**	**96**	**-38,992**
NET VALUES	**21,393**	**2,458**	**1,891**	**0**	**0**	**-18**	**25,724**

Assets under development consist mainly of investment expenditure relating to the Group's information system, i.e. €11.036 million at the end of September 2013.

Changes in the 2011/2012 financial year

In thousands of euros	30/09/2011	Acquisitions Additions	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2012
Gross values						
Software	44,720	1,170	-1,613	7,112	203	51,591
Assets under development	11,403	806		-7,774	4	4,439
Other	574	7	-27		60	614
TOTAL	**56,697**	**1,983**	**-1,640**	**-662**	**267**	**56,644**
Depreciation						
Software	-31,404	-4,695	1,550	0	-142	-34,692
Other	-409	-90		0	-60	-559
TOTAL	**-31,814**	**-4,785**	**1,550**	**,**	**-202**	**-35,251**
NET VALUES	**24,883**	**-2,802**	**-90**	**-662**	**65**	**21,393**

Tangible assets

Changes in the 2012/2013 financial year

In thousands of euros	30/09/2012	Acquisitions Additions	Acquisitions via business combinations	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2013
Gross values							
Land	19,345		901			-136	20,110
Buildings	102,518	3,257	4,004		94	-826	109,046
Fixtures and fittings	20,644	2,243	3,123	-334	85	-174	25,587
Computer hardware	15,350	884	1,071	-577		-92	16,635
Others	5,887	310	2,060	-704	-179	-38	7,335
TOTAL	**163,743**	**6,694**	**11,159**	**-1,615**	**0**	**-1,267**	**178,714**
Amortisation/depreciation							
Land	0						0
Buildings	-28,837	-5,980	-346		5	494	-34,664
Fixtures and fittings	-10,085	-1,813	-1,299	306	1	178	-12,713
Computer hardware	-11,463	-1,934	-555	578		89	-13,286
Others	-3,010	-1,049	-1,226	642	-6	34	-4,614
TOTAL	**-53,395**	**-10,776**	**-3,426**	**1,526**	**0**	**795**	**-65,276**
NET VALUES	**110,348**	**-4,081**	**7,733**	**-90**	**0**	**-473**	**113,437**

The Manutan Group finances the Manutan HEQ (High Environmental Quality) European Centre project via a 12-year lease. The property complex is recognised under "tangible fixed assets" for a total amount of €71.2 million (€12 million for the land and €59 million for the buildings), in accordance with IAS 17. The property complex is depreciated over the useful life of its respective components.

The increase in "property" during the financial year mainly corresponds to Sports et Loisirs' acquisition of the lease rights to the Altorf building.

Changes in the 2011/2012 financial year

In thousands of euros	30/09/2011	Acquisitions Additions	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2012
Gross values						
Land	19,226				119	19,345
Buildings	93,213	8,177	-28		1,156	102,518
Fixtures and fittings	19,557	2,073	-1,605	239	380	20,644
Computer hardware	15,495	1,066	-1,762	338	213	15,350
Others	6,315	1,182	-1,760	85	64	5,887
TOTAL	**153,806**	**12,497**	**-5,154**	**662**	**1,932**	**163,743**
Amortisation/depreciation						
Land						
Buildings	-23,861	-4,267	27		-737	-28,837
Fixtures and fittings	-9,872	-1,413	1,529		-328	-10,085
Computer hardware	-11,366	-1,678	1,757		-176	-11,463
Others	-3,737	-892	1,674		-56	-3,010
TOTAL	**-48,836**	**-8,250**	**4,987**	**0**	**-1,297**	**-53,395**
NET VALUES	**104,970**	**4,247**	**-167**	**662**	**636**	**110,348**

8.3 Lease finance contracts

The substance of Group leasing contracts has been analysed. The following amounts, corresponding to lease finance contracts, are included in the "Tangible assets" table of the previous note:

In thousands of euros	30/09/2012	Acquisitions Additions	Acquisitions via business combinations	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2013
Gross values							
Land	12,245		901				13,146
Buildings	66,246	3,209	2,916			-227	72,145
Fixtures and fittings	310					-7	303
Computer hardware	980					-4	976
Others	1,643	224		-359		-7	1,502
TOTAL	**81,425**	**3,433**	**3,817**	**-359**		**-244**	**88,072**
Amortisation/depreciation							
Land							
Buildings	-7,140	-3,519				138	-10,520
Fixtures and fittings	-531	-38				7	-561
Computer hardware	-980					4	-976
Others	-746	-461		304		3	-900
TOTAL	**-9,396**	**-4,018**		**304**	**0**	**152**	**-12,958**
NET VALUES	**72,029**	**-585**	**3,817**	**-55**	**0**	**-93**	**75,114**

8.4 Investment real estate

In thousands of euros	30/09/2012	Acquisitions Additions	Acquisitions via business combinations	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2013
Investment real estate	1,482		115			-67	1,530
Depreciation of investment real estate	-1,002	-48	-40			45	-1,045
NET INVESTMENT REAL ESTATE	**480**	**-48**	**75**			**-22**	**485**

Investment real estate comprises:

- an unused plot of land (12,400 m2) owned by Key Industrial Equipment. Estate agents have estimated the market value of this site at €1.854 million;
- part of office facilities (2,628 m²) owned by Key Industrial Equipment and rented to third party companies. Estate agents have estimated the market value of this portion of building at €1.675 million.
- of an unused plot owned by Sports et Loisirs (the value recorded in the financial statements is €115,000).

Depreciation methods and rates used are identical to those used for tangible assets.

Rental income amounted to €395,000 over the financial year and there were no major operating expenses relating to the building.

8.5 Non-current financial assets

In thousands of euros	30/09/2012	Acquisitions Additions	Acquisitions via business combinations	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2013
Gross values							
Other financial assets	694	0	542	-269		0	966
TOTAL	**694**	**0**	**542**	**-269**		**0**	**966**
Depreciation							
Other financial assets							
TOTAL							
NET VALUES	**694**	**0**	**542**	**-269**		**0**	**966**

Acquisitions and disposals primarily correspond to the repayment of guarantee deposits to Sports et Loisirs.

8.6 Operating assets

Inventories

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Gross values	40,024	36,960	36,281
Provisions (1)	-3,355	-2,463	-2,804
NET VALUES	**36,669**	**34,497**	**33,477**

(1) The change in provisions for writedowns between 30 September 2012 and 30 September 2013 is due to increases of €1.252 million, acquisitions relating to business combinations of €1.087 million, reductions of €1.432 million and negative exchange rate movements of €15,000.

Trade receivables

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Gross values	134,093	129,786	133,797
Provisions (1)	-3,290	-3,139	-3,397
NET VALUES	**130,803**	**126,647**	**130,400**

(1) The change in provisions for trade receivables between 30 September 2012 and 30 September 2013 is due to increases of €465,000, increase for acquisitions relating to business combinations of €142,000, reductions of €445,000 and negative exchange rate movements of €11,000.

Breakdown of trade receivables by maturity:

2012/2013 financial year

In thousands of euros	Total receivables	- 3 months	+ 3 months - 6 months	+ 6 months - 1 year	+ 1 year
Gross values	134,093	125,321	2,935	2,394	3,442
Provisions	-3,290	-241	-298	-686	-2,064
TOTAL NET VALUES	**130,803**	**125,080**	**2,636**	**1,708**	**1,378**

2011/2012 financial year

In thousands of euros	Total receivables	- 3 months	+ 3 months - 6 months	+ 6 months - 1 year	+ 1 year
Gross values	129,786	122,231	2,520	2,801	2,235
Provisions	-3,139	-149	-409	-966	-1,615
TOTAL NET VALUES	**126,647**	**122,082**	**2,111**	**1,834**	**620**

Note 8.24 provides an analysis of the Group's sensitivity to credit risk and foreign exchange risk relating to trade receivables.

8.7 Other receivables and prepaid expenses

In thousands of euros	30/09/2012	30/09/2011	30/09/2010
Prepaid expenses	4,572	3,627	4,854
Sale of non-current asset receivables			
Other receivables	626	191	317
TOTAL	**5,197**	**3,818**	**5,171**

8.8 Fair value of financial instruments and other financial assets

The table below provides comparison of financial assets recognised in the balance sheet with their fair value.

	Book value			Assets valued at fair value			Assets held until maturity			Loans and receivables			Fair value		
In thousands of euros	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011
Non-current financial assets *(note 8.5)*															
Loans, guarantees and other receivables	966	694	3,666							966	694	3,666	966	694	3,666
Marketable securities and cash															
Marketable securities and current assets	22,000	35,770	29,830				22,000	35,770	29,830				22,000	35,770	29,830
Cash and cash equivalents *(note 8.9)*	58,179	66,775	63,913	58,179	66,775	63,913							58,179	66,775	63,913
TOTAL FINANCIAL ASSETS	**81,150**	**103,239**	**97,409**	**58,179**	**66,775**	**63,913**	**22,000**	**35,770**	**29,830**	**966**	**694**	**3,666**	**81,150**	**103,239**	**97,409**

8.9 Cash and cash equivalents

Treasury includes:

- cash;
- cash equivalents, that is short-term, highly liquid deposits, easily convertible in a known amount of cash and subject to negligible risk of value impairment. They comprise liquid securities and accounts and deposits of less than three months;
- bank overdrafts relating to temporary overdrafts and associated accrued interest.

At 30 September 2013, the Group's short-term deposits were primarily invested in liquid securities and in the money market, with the remaining balance placed in bank accounts, of which the majority bear interest. The Group treats its total available cash flow as being effectively comprised of the balance sheet aggregates "Cash and cash equivalents" and "Marketable securities and current assets", i.e. maturity of 3 - 12 months.

The net financial balance is therefore calculating from the difference between the net cash plus "Marketable securities and current assets" and "Financial debts":

In thousands of euros	30/09/2012	30/09/2011	30/09/2010
Bank balances	43,199	36,347	31,263
Marketable securities (1)	14,743	29,988	32,212
Deposit (2)	237	441	438
Total cash and cash equivalents	**58,179**	**66,775**	**63,913**
Bank overdrafts	4,160	2,286	1,929
Net total cash and cash equivalents	**54,019**	**64,490**	**61,984**
Marketable securities and current assets	22,000	35,770	29,830
Total cash position	**76,019**	**100,260**	**91,814**
Financial debts (7.9)	49,331	52,068	53,508
NET FINANCIAL BALANCE	**26,688**	**48,191**	**38,306**

(1): Fair value Level 1; see Note 7.11.

(2): Fair value Level 2; see Note 7.11.

8.10 Assets held for sale

In thousands of euros	30/09/2012	Acquisitions Additions	Disposals Reversals	Reclassifications	Exchange rate movement	30/09/2013
Gross value						
Land	100		-100			0
Buildings	616		-616			0
Other	65		-65			0
TOTAL	**781**	**0**	**-781**	**0**	**0**	**0**
Depreciation						
Land	0					0
Buildings	-543		543			0
Other	-39		39			0
TOTAL	**-582**	**0**	**582**	**0**	**0**	**0**
Net value	**199**	**0**	**-199**	**0**	**0**	**0**

The premises in Brussels occupied by Manutan Belgium were sold during the 2013 financial year. The Group had no further assets held for sale as at 30 September 2013.

8.11 Changes in Group shareholders' equity

Évolution du capital social en nombre d'actions

At 30 September 2013 the number of shares totalled 7,613,291 with a par value of €2. The Company did not acquire any investment interests during the 2012/2013 financial year.

The public holds 26.53% of the Group's share capital.

Treasury shares

The 13,062 treasury shares are charged to Group shareholders' equity on 30 September 2013.

Impact of exchange rate fluctuations

Exchange rate fluctuations had the following impacts on the Group shareholder's equity during the financial year:

- a negative net impact of €2.867 million arising from the difference between closing and opening exchange rates applied to shareholder's equity, excluding profit;
- a positive net impact of €525,000 arising from the difference between closing and average exchange rates applied to the contribution of foreign companies to consolidated net result.

8.12 Financial liabilities

Breakdown by type of debts

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Borrowings from financial institutions	1,938	2,250	3,536
Finance leases	40,001	42,436	42,710
NON-CURRENT FINANCIAL DEBTS	**41,940**	**44,686**	**46,246**
Borrowings from financial institutions	1,494	1,985	2,132
Finance leases	5,897	5,397	5,130
Bank overdrafts	4,160	2,286	1,929
Financial instruments	67	114	154
CURRENT FINANCIAL DEBTS	**11,618**	**9,782**	**9,345**

Following the acquisition of Sports et Loisirs and IronmongeryDirect, financial debt increased by €6,981,000 (i.e. a respective increase of €6,340,000 and €641,000) including €3,933,000 relating to property leases.

The Group redeemed €8,761,000 in financial debt (including €4,574,000 relating to property leases for the European Centre) over the financial year.

Breakdown by currency denomination

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Czech Koruna	0	1	6
Euro	52,000	52,454	53,215
GBP	1,533	2,009	2,361
HUF	0	4	8
Russian Rouble	24	0	0
TOTAL	**53,558**	**54,468**	**55,591**

An assessment of the Group's exposure to foreign exchange risks is provided in Note 8.26 "Financial risk management objectives and policies".

Liabilities secured by the pledging of assets

Liabilities secured by the pledging of assets relate to liabilities on leased property capitalized for €45.898 million at 30 September 2013.

8.13 Fair value of financial instruments and other liabilities

The table below provides comparison of financial liabilities recognised in the balance sheet with their fair value.

	Book value			Liabilities valued at fair value			Trade payables and other liabilities			Liabilities recognised at amortised cost			Fair value		
In thousands of euros	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011	30/09/2013	30/09/2012	30/09/2011
Non-current portion of financial debts															
Borrowings from financial institutions	1,938	2,250	3,536							1,938	2,250	3,536	1,938	2,250	3,536
Finance leases	40,001	42,436	42,710							40,001	42,436	42,710	40,001	42,436	42,710
Current portion of financial debts															
Borrowings from financial institutions	1,494	1,985	2,132							1,494	1,985	2,132	1,494	1,985	2,132
Finance leases	5,897	5,397	5,130							5,897	5,397	5,130	5,897	5,397	5,130
Derivative financial instruments*	67	114	154	67	114	154							67	114	154
Trade liabilities	62,618	59,714	69,727				62,618	59,714	69,727				62,618	59,714	69,727
Other	33,495	29,343	30,116				33,495	29,343	30,116				33,495	29,343	30,116
Bank overdrafts	4,160	2,286	1,929							4,160	2,286	1,929	4,160	2,286	1,929
Other liabilities (provisions and tax)	12,337	10,820	10,244										12,337	10,820	10,244
TOTAL CURRENT AND NON-CURRENT LIABILITIES	**162,008**	**154,344**	**165,677**	**67**	**114**	**154**	**96,113**	**89,057**	**99,843**	**53,491**	**54,354**	**55,436**	**162,008**	**154,344**	**165,677**

* Swaps are Level 2 instruments; see Note 7.11.

Payment schedule of financial instruments that appear as balance sheet liabilities

In thousands of euros	Balance sheet value 30/09/2013	30/09/2012	30/09/2011	Within one year 30/09/2013	30/09/2012	30/09/2011	One to five years 30/09/2013	30/09/2012	30/09/2011	After five years 30/09/2013	30/09/2012	30/09/2011
Borrowings from financial institutions	3,433	4,235	5,668	1,495	1,985	2,143	1,737	2,250	3,525	201		
Finance leases	45,898	47,833	47,840	5,897	5,397	5,129	22,180	20,577	18,849	17,821	21,859	23,862
Financial debts	49,331	52,068	53,508	7,391	7,382	7,272	23,917	22,827	22,374	18,022	21,859	23,862
Derivative financial instruments	67	114	154	67	114	154						
Trade liabilities	62,618	59,714	69,727	62,618	59,714	69,727						
Other	33,495	29,343	30,116	33,495	29,343	30,116						
Bank overdrafts	4,160	2,286	1,929	4,160	2,286	1,929						

8.14 Employee benefits

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Pension commitments	1,747	1,741	1,436
Service awards	224	234	323
TOTAL PROVISIONS	**1,971**	**1,975**	**1,759**

The estimate of pension commitments at 30 September 2013 was drawn up by an independent actuary, in accordance with the recommendations of IAS 19.

Total pension commitment provisions amount to the contractual commitments of French companies that plan to pay their employees and end-of-service severance payment when they retire.

All expenses relating to pension commitments are shown in the "Personnel Costs" item, which is included in the "Administrative and Marketing Expenses" line in the income statement, and include an amount of €91,000 for services rendered (€106,000 in 2011/2012) and related financial expense of €52,000 (€54,000 in 2011/2012). The actuarial gains recognised in shareholders' equity amount to €203,000.

The main assumptions made in the actuarial calculations are as follows:

Pension commitments		30/09/2013	30/09/2012
Major actuarial assumptions made			
Discount rate		3.24%	2.97%
Inflation rate		2.00%	2.00%
Average salary increase rate (including inflation)		Between 2 and 3%*	Between 2.5 and 3%*
Retirement age:	• Managers	65	65
	• Employees	Between 62 and 63	Between 62 and 63

* Depending on the socio-professional category.

Moreover, at 31 December 2007, the pension fund of Overtoom International Netherlands had been closed. The funds invested in covered bonds were transferred to a professional fund, which now manages the pension commitments of the staff.

Although this is a fund that guarantees the payment of defined benefits to its members, it it recognised as falling under a defined contribution scheme, in accordance with IAS 19.30, given the limited information available from the fund and the fact that it involves a multi-employer scheme.

As such no commitments relating to this fund were provisioned for at 30 September 2013. Lastly, the management of the subsidiary and of the Group guarantees that at least once per financial year the fund's assets are used to cover its commitments.

Furthermore, the amount of contributions paid for this fund in respect of the 2012/2013 financial year amounted to €1,457,000.

8.15 Provisions for liabilities and charges

Changes in the 2012/2013 financial year

In thousands of euros	30/09/2012	Provision	Provision reversal used	Provision reversal not used	Changes via business combinations	Exchange rate movement	30/09/2013
Salary disputes	776	406	-590	0	0	0	591
Product returns	533	79	-27	0	0	-2	582
Restructuring	1,005	736	-1,216	0	0	0	525
Legal and tax	0	0	0	0	0	0	0
Financial risks	2	104	0	0	0	0	106
Other risks	299	958	-136	0	20	-1	1,141
TOTAL	**2,614**	**2,282**	**-1,969**	**0**	**20**	**-2**	**2,945**

The provisions and the restructuring provision reversals during the financial year related mainly to the Centre and South areas.

Changes in the 2011/2012 financial year

In thousands of euros	30/09/2011	Provision	Provision reversal used	Provision reversal not used	Exchange rate movement	30/09/2012
Salary disputes	747	80	-52	0	0	776
Product returns	636	0	-105	0	0	533
Restructuring	786	1,700	-1,481	0	0	1,005
Legal and tax	0	0	0	0	0	0
Financial risks	4	-2	0	0	0	2
Other risks	1,049	101	-858	0	6	299
TOTAL	**3,222**	**1,881**	**-2,495**	**0**	**6**	**2,614**

The provisions and the restructuring provision reversals during the financial year related mainly to the Centre and South areas.

The provision reversals for "Other Risks" related mainly to Manutan SA, where the outstanding rents on the old premises in Gonesse were reversed.

Ongoing litigations

There is no litigation or exceptional event likely to have a material impact on the Group's financial position for which a provision has not been recorded.

8.16 Operating payables and accrued income

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Balance due on the acquisition of non-current assets	756	306	1,013
Tax and social security liabilities	20,925	17,521	16,652
VAT	4,446	7,522	7,647
Credit notes outstanding	603	290	56
Provisions for general expenses	2,333	2,294	2,592
Miscellaneous	4,433	1,410	2,156
TOTAL	**33,496**	**29,343**	**30,116**

At 30 September 2013, all operating payable and other liabilities were due within 1 year.

8.17 Sales and administrative expenses

Provisions are reported net of charges, reversals, gains, and losses.

Net other operating income includes gains and losses on ordinary tangible assets disposals.

Personnel costs include payroll and social security charges, employee profit sharing, temporary employment charge, employee benefits and other personnel costs. Personnel costs include employee profit sharing plan contributions, which amounted to €1.858 million for 2012/2013, compared to €1.212 million for 2011/2012 and €1.004 million for 2010/2011.

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Other external expenses	-67 603	-69 954	-74 854
Taxes and duties	-5 011	-4 585	-4 087
Personnel costs	-94 211	-91 256	-91 704
Amortisation and depreciation charges	-15 098	-13 079	-9 524
Net provision charges/reversals	-690	1 017	65
Other operating income and expenses	631	450	-248
TOTAL	**-181 982**	**-177 407**	**-180 351**

8.18 Personnel costs

Average workforce analysis

	30/09/2013	30/09/2012	30/09/2011
Employees	1,264	1,220	1,242
Managers	451	420	423
TOTAL	**1,715**	**1,640**	**1,665**

Analysis of average workforce by area

Total workforce	30/09/2013	30/09/2012	30/09/2011
North	70	73	76
Centre	303	324	325
East	92	101	95
South	961	895	934
West	186	160	170
Other	103	88	64
TOTAL	**1,715**	**1,640**	**,1,665,**

Men	30/09/2013	30/09/2012	30/09/2011
North	36	39	39
Centre	219	228	230
East	43	57	50
South	410	375	488
West	113	99	108
Other	60	47	38
TOTAL	**881**	**846**	**953**

Women	30/09/2013	30/09/2012	30/09/2011
North	33	34	37
Centre	85	96	96
East	49	44	46
South	551	520	446
West	73	61	62
Other	43	40	26
TOTAL	**834**	**794**	**712**

Changes	Entrées	Sorties
North	4	7
Centre	45	64
East	12	21
South	194	127
West	72	47
Other	35	21
TOTAL	**362**	**287**

Analysis of personnel costs

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Employees	-53,843	-50,650	-50,053
Managers	-40,368	-40,606	-41,651
TOTAL	**-94,211**	**-91,256**	**-91,704**

Remuneration paid during the financial year to the consolidating company's management bodies for their work undertaken for Group companies amounted to €1,951,526 in 2012/2013 and €2,439,794 in 2011/2012.

The attendance fees and remuneration paid to the members of the Board of Directors amounted to €857,000 for the 2012/2013 financial year (€135,000 paid to the members of the Supervisory Board (up until 30.11.2011), and to the Board of Directors (as from 01.12.2011) in respect of the 2011/2012 financial year).

Turnover per average workforce

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	416	431	400
Centre	377	371	393
East	190	198	223
South	394	401	398
West	300	307	270
TOTAL	**341**	**348**	**353**

8.19 Other operating income and expenses

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Property transactions	-328	1,477	3,485
Restructuring costs	-3,041	-1,935	-1,429
Frais d'acquisition de titres	-994	204	0
TOTAL	**-4,363**	**-254**	**2,056**

Transactions involving property assets consisted of the gain on the sale of Manutan NV's premises in Brussels, which amounted to €0.7 million, and the impairment of a warehouse in the Czech Republic, which amounted to €1 million.

Restructuring costs primarily related to changes in the Group's organisational structure.

The securities acquisition costs resulted from the acquisitions of Sports et Loisirs and IronmongeryDirect.

8.20 Financial income and expenses

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Interest on cash and cash equivalents	632	1,261	743
Foreign exchange gains	513	611	784
Other financial income	104	371	399
TOTAL FINANCIAL INCOME	**1,249**	**2,243**	**1,926**
Gross cost of borrowings	-1,211	-1,774	-1,081
Foreign exchange losses	-609	-712	-759
Other financial expenses	0	-6	-20
TOTAL FINANCIAL EXPENSES	**-1,820**	**-2,492**	**-1,859**

The change in the Group's financial expense is explained by the fall in the property lease financing rates for the European Centre over the financial year.

At the same time, financial income decreased, due partly to the impact of the fall in money-market rates, and partly as the result of a decrease in the amounts invested, as a result of external growth transactions.

8.21 Tax

Deferred tax assets and liabilities are offset within the same company.

Explanation of difference between statutory tax rate and effective tax rate (as a percentage of profit before tax):

As a %	30/09/2013	30/09/2012	30/09/2011
Statutory income tax rate	36.10	36.10	34.43
Permanent differences impact	3.62	1.98	1.57
Non-capitalised losses	0.11	0.58	0.28
Loss carryforwards / carrybacks used	-0.22	0.00	-0.90
Income tax rate differences*	-4.64	-4.41	-4.51
Tax credit	0.00	0.00	0.00
Other	0.51	0.00	0.00
EFFECTIVE TAX RATE	**35.48**	**34.25**	**30.87**

*The tax rates for the Centre and West Areas amounted to 24.80% and 23.50% respectively; these areas generated the bulk of the tax rate differences.

The Group's income tax expense for 2012/2013 amounted to €12.832 million, comprising a €11.348 million income tax liability and a €1.484 million deferred tax expense.

Source of deferred taxes

In thousands of euros	30/09/2013	30/09/2012
Gross values		
Fixed assets (excluding leases)	-193	-521
Inventories	376	188
Customers	197	165
Financial instruments	31	37
Pension provisions	703	691
Other provisions	1,088	846
Leases	-4,473	-3,181
Tax loss carry-forwards	0	631
Other timing differences	-41	130
TOTAL	**-2,313**	**-1,014**
Deferred tax assets	3,277	3,088
Deferred tax liabilities	5,590	4,102
NET DEFERRED TAXES	**-2,313**	**-1,014**

Potential deferred tax assets amounted to €4.877 million at 30 September 2013, which resulted from losses carried forward, deferred depreciation charges, and unrealised long-term capital losses which reflect the uncertainty of their recoverability on that date.

Change in net deferred taxes

In thousands of euros	
30/09/2012	**-1,014**
Charged to the income statement	-1,484
Charged to equity	208
Exchange rate movement	-23
30/09/2013	**-2,313**

8.22 Earnings per share

	30/09/2013	30/09/2012	30/09/2011
Net result – Group share *(€ thousands)*	23,277	23,869	28,497
Number of shares outstanding	7,600,229	7,600,229	7,596,583
NET EARNINGS PER SHARE *(€)*	**3.06**	**3.14**	**3.75**
Dilutive impact of subscription options	0	0	0
DILUTED EARNINGS PER SHARE *(€)*	**3.06**	**3.14**	**3.75**

8.23 Consolidated cash flow statement

Cash flow

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Financial year net result	23,337	23,901	28,531
Net amortisation, depreciation and provision charges	16,124	13,079	12,092
Other provisions (net)	1,563	973	-1,853
Non-current assets disposals-proceeds	-931	-2,490	-7,071
Non-current assets disposals-net book value	281	1,218	2,303
CASH FLOW	**40,374**	**36,680**	**34,003**

Breakdown of movements in working capital requirements

In thousands of euros *Resources: (+) Use: (-)*	30/09/2013	30/09/2012	30/09/2011
Inventories (net)	6,381	-461	-2,174
Trade receivables (net)	8,643	4,890	-13,247
Other receivables	-1,086	937	-58
Operating payables (net)	-8,580	-6,444	-62
Tax receivables/liabilities	-2,682	-1,761	340
Other Inventories (net)	690	-4,484	2,367
CHANGE IN WORKING CAPITAL REQUIREMENT	**3,365**	**-7,324**	**-12,834**
Movement in non-current assets borrowings	534	-862	193

8.24 Segment reporting

Turnover – breakdown by geographical area

In thousands of euros	30/09/2013	Of which inter-area transactions	30/09/2012	Of which inter-area transactions	30/09/2011	Of which inter-area transactions
North	29,007	292	31,268	276	30,393	291
Centre	114,434	6,838	120,189	5,774	127,712	6,748
East	17,484	0	19,996	0	21,197	1
South	378,947	2,377	358,819	2,130	371,575	1,695
West	55,697	414	49,061	401	45,912	217
Other	-9,922	0	-8,581	0	-8,951	0
TOTAL	**585,646**	**9,922**	**570,751**	**8,581**	**587,838**	**8,951**

As a %	30/09/2013		30/09/2012		30/09/2011	
North	5.0	2.9	5.5	3.2	5.2	3.3
Centre	19.5	68.9	21.1	67.3	21.7	75.4
East	3.0	0.0	3.5	0.0	3.6	0.0
South	64.7	24.0	62.9	24.8	63.2	18.9
West	9.5	4.2	8.6	4.7	7.8	2.4
Other	-1.7	0.0	-1.5	0.0	-1.5	0.0
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Profit from operations – breakdown by geographical area

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	2,307	2,761	3,029
Centre	9,508	10,461	14,715
East	-85	539	1,595
South	32,900	29,834	29,439
West	4,865	3,263	2,609
Other	-8,391	-10,005	-12,241
TOTAL	**41,103**	**36,853**	**39,146**

As a %	30/09/2013	30/09/2012	30/09/2011
North	5.6	7.5	7.7
Centre	23.1	28.4	37.6
East	-0.2	1.5	4.1
South	80.0	81.0	75.2
West	11.8	8.9	6.7
Other	-20.4	-27.1	-31.3
TOTAL	**100.0**	**100.0**	**100.0**

Operating profit – breakdown by geographical area

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	1,780	2,761	3,029
Centre	8,427	8,824	14,486
East	-1,118	539	-975
South	33,090	29,637	28,449
West	4,471	3,162	2,276
Other	-9,909	-8,324	-6,064
TOTAL	**36,740**	**36,599**	**41,202**

As a %	30/09/2013	30/09/2012	30/09/2011
North	4.8	7.5	7.4
Centre	22.9	24.1	35.2
East	-3.0	1.5	-2.4
South	90.1	81.0	69.0
West	12.2	8.6	5.5
Other	-27.0	-22.7	-14.7
TOTAL	**100.0**	**100.0**	**100.0**

Current and non-current assets, current and non-current liabilities

Non-current assets

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	2,527	3,144	3,126
Centre	42,212	42,754	43,487
East	8,464	10,090	10,440
South	33,005	15,823	17,226
West	53,960	37,245	34,990
Other	93,444	91,412	89,980
TOTAL	**233,613**	**200,468**	**199,247**

Current assets

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	11,406	12,530	11,210
Centre	38,808	36,492	34,973
East	6,992	7,510	7,939
South	125,612	116,647	124,012
West	29,405	22,143	18,810
Other	44,101	74,082	67,555
TOTAL	**256,324**	**269,405**	**264,499**

Non-current liabilities

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	0	0	10
Centre	929	1,007	1,337
East	4	9	5
South	6,127	2,220	1,926
West	1,192	1,685	1,956
Other	41,249	45,843	45,376
TOTAL	**49,501**	**50,764**	**50,609**

Current liabilities

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	3,586	4,326	3,774
Centre	11,625	13,123	12,944
East	1,750	1,849	1,997
South	67,313	61,703	73,373
West	11,692	8,178	7,610
Other	16,541	14,401	15,370
TOTAL	**112,507**	**103,581**	**115,068**

Cash flow

	30/09/2013				30/09/2012				30/09/2011			
In thousands of euros	Cash flow	Consolidated profit	Amort., depreciation and provision charges	Other non-operating items	Cash flow	Consolidated profit	Amort., depreciation and provision charges	Other non-operating items	Cash flow	Consolidated profit	Amort., depreciation and provision charges	Other non-operating items
North	1,821	1,170	585	66	2,525	1,992	559	-26	2,730	2,217	523	-10
Centre	6,806	5,852	1,470	-516	7,908	6,152	1,496	261	10,483	10,649	1,612	-1,777
East	-103	-1,607	1,501	3	729	263	508	-42	1,590	-1,446	3,070	-34
South	19,033	15,018	4,077	-63	25,217	22,747	2,927	-458	25,186	23,351	2,117	-281
West	4,517	3,340	1,138	39	3,244	2,168	1,183	-108	1,564	1,339	1,022	-797
Other	8,301	-435	7,353	1,382	-2,942	-9,420	6,405	74	-7,550	-7,576	3,749	-3,722
TOTAL	**40,374**	**23,337**	**16,124**	**911**	**36,681**	**23,902**	**13,078**	**-299**	**34,003**	**28,531**	**12,092**	**-6,621**
As a %												
North	4.4	5.0	3.6	4.1	6.9	8.3	4.3	8.7	8.0	7.8	4.3	0.1
Centre	16.6	25.1	9.1	-31.9	21.6	25.7	11.4	-87.3	30.8	37.3	13.3	26.8
East	-0.3	-6.9	9.3	0.2	2.0	1.1	3.9	14.0	4.7	-5.1	25.4	0.5
South	47.1	64.4	25.3	-6.9	68.7	95.2	22.4	153.2	74.1	81.8	17.5	4.2
West	11.0	14.3	7.1	2.4	8.8	9.1	9.0	36.1	4.6	4.7	8.5	12.0
Other	20.6	-1.9	45.6	151.7	-8.0	-39.4	49.0	-24.7	-22.2	-26.6	31.0	56.2
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Industrial and production investments*

Industrial and production investments (by geographical area)

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
North	104	279	522
Centre	977	767	539
East	70	267	121
South	4,334	2,298	7,169
West	374	502	1,450
Other	8,593	10,367	28,928
TOTAL	**14,453**	**14,480**	**38,730**

*These amounts include lease-financed assets

8.25 Financial risk management objectives and policies

Market risks

The Group is not significantly exposed to market risks, given its sound financial structure and the small portion of its shares that are publicly held (26.53% at 30 September 2013).

Liquidity risk

At 30 September 2013, the Group's cash and cash equivalents amounted to €58,179 million or €80,179 million if you include financial investments of over three months, while financial liabilities totalled €53,558 million. The consolidated financial debt to consolidated equity capital ratio worked out at 0.16, which enabled the terms of the banking covenants to be met.

In addition, the Group had confirmed unused lines of credit of €65.000 million at 30 September 2013.

At 30 September 2013, the Group had complied with all legal and financial covenants relating to financial debts. These primarily comprise medium and long-term debt to equity ratios, as well as cash flow to borrowings ratios.

			Due date				
Type of borrowings	Fixed or variable rate	Amount (*€ thousands*)	< 1 year	1 to 5 years	> 5 years	Cover	Original Currency
Loans from financial institutions	Variable rate	1,125	643	482		No	EUR
	Variable rate	1,125	643	482		Yes	EUR
	Fixed rate	1,182	208	773	201	No	EUR
Capital leases	Fixed rate	576	354	222		No	EUR
	Fixed rate	98	84	14		No	GBP
	Fixed rate	24	20	4		No	RUB
	Variable rate	43,765	5,049	20,894	17,821	No	EUR
	Variable rate	1,435	389	1,046		No	GBP
Bank overdrafts	Variable	4,160	4,160			No	EUR
TOTAL		**53,490**	**11,551**	**23,917**	**18,022**		

Interest rate risks

The Group's financial policy consists of managing financial charges using a combination of variable and fixed rate derivatives. At 30 September 2013 the Group valued an interest rate swap as follows:

In thousands of euros	Transaction date	Due date	Value at 30/09/2013	IFRS hedge	Gross impact on profits	Gross impact on reserves
Interest rate swap: €4.5m amortisable over 7 years; fixed interest rate 4.56% vs Euribor 3m	27/05/2008	01/06/2015	-48	Effective		-48
TOTAL			**-48**		**0**	**-48**

The analysis of the sensitivity of interest rate swaps at 30 September 2013 is presented as follows:

In thousands of euros	Total	Within 1 year	1 to 5 years	After 5 years
Financial assets (1)	58.2	58.2		
Financial liabilities (2)	50.5	10.3	22.4	17.8
Net exposure	**7.7**	**47.9**	**-22.4**	**-17.8**

(1) Negotiable debt security, other investments, floating-rate loans and advances.
(2) Borrowings and other floating-rate financial liabilities.

The Group's interest rate risk is managed by the Group's Treasury Department located at the parent company. The impact of a 1 basis point change in interest rates on the Group's current variable rate net financial position would be approximately €479,000.

Exchange rate risk

The Group's net exposure to exchange rate risk is presented by currencies:

€ millions	Pound Sterling	Czech Koruna	Norwegian Krone	Danish Krone	Swedish Krona	Euro	Other currencies	TOTAL
Monetary assets	18.7	2.6	3.8	1.1	3.4	2.4	3.0	35.0
Monetary liabilities	7.2	0.5	0.2	0.1	1.0	1.7	0.9	11.6
Net exposure	**11.5**	**2.1**	**3.6**	**1.0**	**2.4**	**0.6**	**2.1**	**23.4**

* Other currencies = USD, CHF, HUF, PLN, RUB.

Monetary assets comprise receivables and loans, as well as marketable securities and cash.

Monetary liabilities comprise borrowings, as well as operating liabilities and other debts.

The Group's hedging requirements are as follows:

- US dollar purchases;
- purchases in euros against the pound sterling, the Czech crown and the Swedish krona;
- sales of NOK and DKK against the SEK;
- sales of HUF and PLN against the CZK.

The Group had arranged the forward US dollar purchases listed below as at 30 September 2013:

	Transaction date	Due date	Value at 30/09/2013 *(€ thousands)*	IFRS hedge	Gross impact on profits	Gross Impact on Reserves
US$300,000 forward buy at 1.3309	14/06/2013	15/10/2013	-3		-3	
US$300,000 forward buy at 1.3311	14/06/2013	15/11/2013	-3		-3	
US$300,000 forward buy at 1.3314	14/06/2013	16/12/2013	-3		-3	
US$300,000 forward buy at 1.3317	14/06/2013	15/01/2014	-3		-3	
US$300,000 forward buy at 1.3320	14/06/2013	14/02/2014	-3		-3	
US$300,000 forward buy at 1.3323	14/06/2013	14/03/2014	-3		-3	
TOTAL			**-19**		**-19**	**-**

Stock market risk

- The Group's exposure to stock market risk is limited to its holdings of shares in the parent company, Manutan International, the only Group securities listed on a regulated market. These treasury shares totalled 13,062 at 30 September 2013 (refer to Note 8.11 "Change in shareholder's equity").
- They are recognised in shareholder's equity.

Credit risk

- Although by nature of the Group's business, credit risk is limited as "Trade receivables" are comprised of a large number of receivables of relatively small amounts spread over hundreds of thousands of clients, the Group's policy is to check the creditworthiness of all clients wishing to obtain credit. Client balances are monitored regularly, and as a consequence the Group's exposure to bad debts is limited.

8.26 Related parties

Related parties include:

- parent companies;
- subsidiaries;
- members of the Board of Directors of Manutan International.

Transactions with extra-Group related parties were not significant.

Transactions with the Group's senior Executives during the financial year ended 30 September 2013 (Board of Directors' members) may be analysed as follows:

- short-term benefits: €2,037,240 in 2012/2013 and €2,575,135 in 2011/2012;
- post-employment benefits: N/A;
- other long-term benefits: N/A;
- severance pay: N/A;
- share-based payments: N/A.

Furthermore, undertakings regarding severance payments in the event of their departure have been made to the Group's senior Management. These (unpaid) undertakings amounted to €808,500 in 2012/2013.

8.27 Special purpose vehicles

Special purpose vehicles are consolidated if the Group comes to the conclusion that it controls them, based on a review of the substance of the special purpose vehicle's relationship with the Group and of its risks and benefits.

The Manutan Group did not control any special purpose vehicles as at 30 September 2013.

note 9 Companies included in the consolidation scope

List of consolidated companies	% of voting rights of the consolidating company	% of interest of the consolidating company
Manutan International SA (France)		
Camif Collectivités Entreprises SAS (France)	100.00	100.00
Euroquipment Ltd (United Kingdom)	100.00	100.00
The Eurostore Group Ltd (United Kingdom)	100.00	100.00
Fabritec-Overtoom GmbH (Switzerland)	100.00	100.00
Group Hardware Ltd (United Kingdom)	100.00	100.00
IronmongeryDirect Ltd (United Kingdom)	100.00	100.00
Key Industrial Equipment Ltd (United Kingdom)	100.00	100.00
Key Procurement Ltd (United Kingdom)	100.00	100.00
Key Industrial Publication Ltd (United Kingdom)	100.00	100.00
Manovert BV (Netherlands)	100.00	100.00
Manutan Hungaria kft (Hungary)	100.00	100.00
Manutan Italy Spa (Italy)	100.00	100.00
Manutan Ltd (United Kingdom)	100.00	100.00
Manutan NV (Belgium)	94.44	94.44
Manutan Polska sp-z.o.o (Poland)	100.00	100.00
Manutan SA (France)	100.00	100.00
Manutan Sl (Spain)	100.00	100.00
Manutan Slovakia s.r.o (Slovakia)	100.00	100.00
Manutan s.r.o (Czech Republic)	100.00	100.00
Manutan Russia o.o.o (Russia)	100.00	100.00
Manutan Unipessoal Lda (Portugal)	100.00	100.00
Metro Storage Systems Ltd (Republic of Ireland)	100.00	100.00
Overtoom International Belgium NV (Belgium)	100.00	100.00
Overtoom International BV (Netherlands)	100.00	100.00
Overtoom International Deutschland GmbH (Germany)	100.00	100.00
Overtoom International Nederland BV (Netherlands)	100.00	100.00
Restaurant Inter Entreprises (France)	100.00	100.00
SCI Philippe Auguste (France)	100.00	100.00
Sports et Loisirs SAS (France)	100.00	100.00
Rapid Racking Ltd (United Kingdom)	100.00	100.00
Trovatar a.s. (Czech Republic)	100.00	100.00
VSF Planservice BV (Netherlands)	100.00	100.00
WITRE A/S (Norway)	100.00	100.00
WITRE AB (Sweden)	100.00	100.00
WITRE Danmark A/S (Denmark)	100.00	100.00
WITRE Oy (Finland)	100.00	100.00

Manutan International exercises exclusive control on all companies incorporated in the consolidation scope. Group companies are consolidated using the full consolidation method.

note 10 Subsequent events

The Manutan Group acquired 100% of the securities in Ikaros Cleantech, which specialises in environmentally-friendly products for the retention, absorption and storage of hazardous products and waste collection in the Swedish and Finnish markets.

This transaction was funded entirely from the Group's equity capital and does not undermine its financial strength.

Ikaros Cleantech, which is based in Malmo, Sweden, generated revenues of SKR 138 million (€16 million) during its last financial year (ended 31 December 2012), and operating income amounting to around 5% of revenues.

The acquisition of Ikaros Cleantech enables the Manutan Group to broaden its offering, and to boost its positions in Scandinavia.

note 11 Summary of obligations and commitments

Off-Balance Sheet commitments

In thousands of euros	30/09/2013	30/09/2012	30/09/2011
Unused lines of credit	65,000	64,373	63,423
Bank guarantees	3,027	2,456	2,455
Operating leases	17,140	12,807	5,081

Schedule of obligations and commitments

Pursuant to the AMF's recommendation of January 2003, the table below summarises the obligations and commitments given and received by the Group. Commitments received are preceded by a (-) sign.

Financial contracted obligations: commitments given and received *In thousands of euros*	Total at 30/09/2013	Payment commitments by due date		
		Within 1 year	1 to 5 years	After 5 years
Credit lines (1)	-65,000	-65,000		
Letters of credit (2)	3,027	3,027		
Operating lease obligations	5,620	1,249	2,541	1,830
Financial instruments	48	48		
Purchase of forward currency	-1,800	-1,800		
Interest rate swaps	-1,125	-643	-482	
TOTAL	**-59,230**	**-63,119**	**2,059**	**1,830**

(1) Confirmed credit lines available to the Group.

(2) Guarantees given by the Group to credit institutions.

(3) Finance lease contracts currently used by the Group.

note 12 Fees paid to Statutory Auditors and members of their networks

	KPMG						MAZARS					
	Amount			%			Amount			%		
In thousands of euros	2012/2013	2011/2012	2010/2011	2012/2013	2011/2012	2010/2011	2012/2013	2011/2012	2010/2011	2012/2013	2011/2012	2010/2011
Audit												
Statutory audit, review of consolidated and parent company financial statements(1)	412	436	477				323	307	273			
Other due diligence and services directly relating to the Statutory Auditors' assignment(2)	335	0	12				13	0	0			
Subtotal	**747**	**436**	**489**	**90**	**84**	**88**	**336**	**307**	**273**	**95**	**93**	**97**
Other services												
Legal, tax, social security assignments	80	80	66				16	22	7			
Other	2	0	0				0		1			
Consulting	0	0	0				0	0	0			
Other	2	0	0				0	0	1			
Subtotal	**82**	**80**	**66**	**10**	**16**	**12**	**16**	**22**	**8**	**5**	**7**	**3**
TOTAL	**829**	**516**	**556**	**100**	**100**	**100**	**352**	**329**	**280**	**100**	**100**	**100**

(1) Including €71,000 for KPMG and €71,000 for Mazars for Manutan International for 2012/2013, €88,000 for KPMG and €83,000 for Mazars for 2011/2012, and €81,000 for KPMG and €87,000 for Mazars for 2010/2011.

(2) Including €348,000 for Manutan International for 2012/2013.

Report of the Statutory Auditors on the annual financial statements

Financial year ended 30 September 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby present to you our report for the financial year ended 30 September 2013 on the:

- audit of the accompanying annual financial statements of Manutan International S.A.;
- justification of our assessments;
- specific verifications and information required by the Law.

The annual financial statements have been prepared by the Board of Directors. It is our responsibility to express an opinion on these consolidated financial statements based on our audit.

Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the annual financial statements are free of material misstatement. An audit includes examining, on a test basis or using other selection methods, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the parent company financial statements, prepared in accordance with generally accepted accounting principles in France, give a true and fair view of the financial position, assets and liabilities, and net result of the Company for the financial year then ended.

Justification of our assessments

Pursuant to the application of the provisions of Article L 823.9 of the French Commercial Code relative to the justification of our assessments, we bring to your attention the following matters:

Investments in equity associates are valued at their acquisition cost, and are impaired on the basis of their value in use, in accordance with the procedures set out in Note 3 of the Notes to the Financial Statements.

Our work consisted in assessing the data and assumptions on which these estimates are based, and especially the cash flow forecasts prepared by the Company's operational departments, in reviewing the calculations prepared by the Company, and in comparing the accounting estimates for the prior periods with the corresponding outcomes.

As part of our assessment, we checked the reasonable nature of these estimates.

The assessments thus undertaken are within the framework of our annual accounts full audit approach, and accordingly, contributed to the expression of an unqualified opinion in the first part of this report.

Specific verifications and information

We also carried out, in accordance with professional standards applicable in France, the specific verifications required by the Law.

We have no comments to make on the fairness and consistency of the information included in the management report of the Board of Directors and in the documents addressed to shareholders regarding the financial situation and financial statements of the Company.

We have checked that the information on the remuneration paid and benefits awarded to corporate officers, and on the commitments made in their favour, which was provided pursuant to the provisions of Article L 225-01 of the French Commercial Code, is in line with the financial statements or with the data used to prepared those financial statements, and, if applicable, with the information that your Company has obtained from companies that control it or that it controls. Based on our work, we certify the accuracy and fairness of this information.

Pursuant to the law, we checked that the information relating to the acquisition of investments and controlling interests, and the identity of holders of stock (or voting rights) was communicated to you in the management report.

Marcq-en-Barœul, 30 January 2014

Courbevoie, 30 January 2014

The Statutory Auditors

KPMG Audit
Department of KPMG S.A.

Laurent Prévost
Partner

MAZARS

Simon Beillevaire
Partner

Balance sheet

In thousands of euros	*Notes*	30/09/2013 Brut	30/09/2013 Gross Depreciation	30/09/2013 Net	30/09/2012 Net	30/09/2011 Net
ASSETS						
NON-CURRENT ASSETS						
Intangible assets	*1*	43,748	23,168	20,580	17,317	20,500
Tangible assets	*2*	2,835	1,425	1,410	1,178	437
Financial assets	*3*	266,719	17,664	249,055	211,569	214,378
		313,302	**42,257**	**271,045**	**230,064**	**235,315**
CURRENT ASSETS						
Inventories		0	0	0	0	0
Customers	*4*	8,869	0	8,869	9,358	80,03
Other receivables and prepaid expenses	*4*	41,422	121	41,301	44,968	47,023
Marketable securities	*5*	14,272	0	14,272	29,517	31,265
Cash and bank		22,495	0	22,495	39,248	30,041
		87,058	**121**	**86,937**	**123,091**	**116,332**
Deferred translation adjustment	*9*	13		13	8	12
TOTAL ASSETS				**357,995**	**353,163**	**351,659**
EQUITY AND LIABILITIES						
EQUITY	*6*					
Share capital				15,227	15,227	15,227
Share premium				66,776	66,776	66,776
Reserves				85,033	85,033	85,033
Earnings carried forward				26,121	23,777	19,560
Result				35,998	11,160	14,857
Regulated provisions				1,463	1,182	897
				230,618	**203,155**	**202,350**
Provisions for liabilities and charges	*7*			817	8	12
LIABILITIES						
Borrowings	*8.1*			119,040	143,399	140,328
Suppliers	*8.2*			2,666	2,946	3,623
Other liabilities and accrued income	*8.2*			4,851	3,639	5,290
				126,557	**149,984**	**149,241**
Deferred translation adjustment	*9*			3	16	56
TOTAL EQUITY AND LIABILITIES				**357,995**	**353,163**	**351,659**

Income statement

In thousands of euros	*Notes*	30/09/2013	30/09/2012	30/09/2011
Turnover (net)	*10*	16,701	13,951	12,742
Cost of goods sold				
Gross margin				
Other external expenses		-18,263	-17,257	-16,307
Taxes and duties		-842	-538	-547
Personnel costs	*11-12*	-10,803	-9,667	-7,920
Amortisation and depreciation charges		-4,502	-3,840	-2,924
Provision charges		-804	0	0
Net other operating income	*13*	20,319	17,377	15,145
Operating profit		1,806	26	189
Share in joint ventures	*14*	-177	-132	
Financial result	*15*	35,664	10,677	9,476
Profit before taxation		37,293	10,571	9,665
Net exceptional expenses	*16*	-776	-333	5,072
Employees' profit sharing plan contribution		-336		
Income tax		-183	922	120
NET RESULT		**35,998**	**11,160**	**14,857**

Notes to the parent company financial statements

for the year ended 30 September 2013

Significant events

Manutan International made two acquisitions over the financial year.

The first acquisition was Sports et Loisirs, the leading distributor of sports equipment to local authorities, which is based in Alsace, in October 2012.

Next, on 12 July 2013, the Company acquired IronmongeryDirect Limited, which specialises in selling ironmongery to craftsmen in the UK, and enabled the Manutan Group to add to its offering, to attract a customer base in the crafts and construction market, and to boost its positions in the United Kingdom.

These two transactions were funded from the Group's equity capital and do not undermine its financial strength.

Furthermore, 2012/2013 was characterised by the Group's new visual identity (logo and style sheet, etc.).

A voluntary profit-sharing agreement was signed between the Manutan Economic and Social Unit, which consists of Manutan SA, Manutan International, the RIE association and the trade union organisations, on 26 October 2012. This agreement replaces the non-mandatory profit-sharing scheme.

Accounting principles and methods

The Company's financial year covers a 12-month period, from 1 October 2012 to 30 September 2013.

The annual accounts were drawn up with a view to continued business operations. They were prepared in accordance with current accounting rules, in compliance with the principle of prudence, independence of financial years and consistency of accounting methods.

Accounting principles and methods specifically applied to each financial statement item are listed on the following pages.

note 1 Intangible assets and assets under development

Intangible assets are recorded at their acquisition cost.

Computer software is amortised on a straight-line basis over 3 to 7 years, depending on its purpose and estimated economic life.

Major computer software additions during the 2012/2013 financial year concerned licences as well as capitalizable costs incurred at year-end for the implementation of the various applications used by the Group's company operations (e-business sites, content and publication management, etc.). These software packages use the latest technology available and replace the previous packages, which were fully amortised, and were therefore scrapped.

Assets under development are comprised primarily of the costs incurred in the context of:

(i) the project to change and develop the Group's ERP system,

(ii) miscellaneous projects and work relating to the permanent improvement of the information system.

In thousands of euros	30/09/2012	Changes Additions	Reversals	30/09/2013
Gross value				
Patents and licences	661			661
Software	31,658	446		32,104
Assets under development	4,156	6,827		10,984
Total	**36,475**	**7,273**	**0**	**43,748**
Depreciation				
Patents and licences	-661			-661
Software	-18,497	4,010		-22,507
Total	**-19,158**	**4,010**	**0**	**-23,168**
NET VALUE	**17,317**	**3,263**	**0**	**20,580**

note 2 Tangible assets

Tangible assets are recorded at their acquisition cost.

Depreciation is calculated using the straight-line method over the expected useful life of the asset:

- Buildings: 25 years
- Fixtures and fittings: 10 years
- Computer hardware: 3 or 5 years
- Other: 3 to 6 years
  - motor vehicles;
  - equipment and tools;
  - office furniture and equipment.

The straight-line method best reflects the economic reality of the use of these assets.

In thousands of euros	30/09/2012	Changes Additions	Reversals	30/09/2013
Gross value				
Land	0			0
Buildings	0			0
Fixtures and fittings	226	2		228
Computer hardware	1,118	190		1,308
Other	786	531	18	1,299
Total	**2,130**	**723**	**18**	**2,835**
Depreciation				
Land	0			0
Buildings	0			0
Fixtures and fittings	-4	-44		-48
Computer hardware	-816	-371		-1,187
Other	-132	-76	-18	-190
Total	**-952**	**-491**	**-18**	**-1,425**
NET VALUE	**1,178**	**232**		**1,410**

note 3 Financial assets and related receivables

The gross value of the securities consists of their purchase cost and ancillary expenses. while the book value reflects its going concern value, determined based on an assessment of the Company's net asset values and its future profitability and business prospects.

If the realisable value is lower than the net book value, a provision is created for the difference. A similar provision for writedowns is also established for receivables on shareholdings, with its book value based on its collection prospects.

Shareholdings/financial assets

In thousands of euros	30/09/2012	Additions	Reversals	30/09/2013
Associated companies	222,665	38,577		261,242
Other shareholdings (Manutan International)	965			965
Deposits, pledges	378		-23	355
Total	**224,008**	**38,577**	**23**	**262,562**
Provisions for writedowns	-13,577	-1,027	140	-14,464
NET VALUE	**210,431**	**37,550**	**117**	**248,098**

The €38,577,000 increase corresponds to the purchase of the securities in Sports et Loisirs in France and in IronmongeryDirect in the United Kingdom.

Receivables and loans

In thousands of euros	30/09/2012	Additions	Reversals	30/09/2013	Dont à + 1 an
Receivables and loans	4,615	603	-1 063	4,155	4,152
Provisions for writedowns	-3,479		279	-3,200	-3,200
TOTAL	**1,136**	**603**	**-784**	**955**	**952**

Investments in subsidiaries and related receivables

A listing of shareholdings in subsidiaries is provided in "Financial information relating to subsidiaries and associate companies" in the Notes to the Parent Company Financial Statements.

During the financial year, Manutan International granted the following loans to its subsidiaries:

- Manutan o.o.o (Russia) for €600,000, bringing the total to €870,000.

And wrote off receivables:

- Manutan o.o.o. (Russia) for €878,762;
- Fabritec (Switzerland) for €210,000;
- Overtoom Deutschland (Germany) for €150,000.

Writedowns on shareholdings and related receivables

A provision regarding writedowns on shareholdings was increased by €1,026,895, in application of general measurement principles, as follows:

- Trovatar: writedown of €1,026,895.

Writedown on treasury shares decreased by 140,172 euros during the financial year to 436,439 euros at 30 September 2013, based on the share's average price for that month.

A provision write-back was recorded for the following company:

- Manutan o.o.o.: a provision reversal on the loan and interest of €278,890, representing a total at year-end of €0.

Other movements resulted from the revaluation of foreign currency denominated financial receivables.

note 4 Current assets

All trade receivables are with Manutan Group companies.

In thousands of euros	30/09/2012	30/09/2013
Gross value		
Trade receivables	9,358	8,869
Advances and down payments on orders	77	234
Other receivables	43,637	39,173
Prepaid expenses	1,375	2,015
Total	**54,447**	**50,291**
Accumulated amortisation	-121	-121
NET VALUE	**54,326**	**50,170**

All receivables are due within 1 year.

Other receivables include €38.258 million in loans granted to subsidiaries and related interest receivables arising from Manutan International centralised management of the Group's treasury function.

note 5 Transferable securities

Transferable securities are reported on the balance sheet at their acquisition cost and are managed according to the FIFO method. They primarily represent investments in mutual funds (SICAVs and FCPs) managed by leading financial institutions.

At 30 September 2013, the analysis of the market value of the transferable securities did not result in any impairment.

note 6 Share capital

The Company's share capital at 30 September 2013 amounted to €15,226,582, comprising 7,613,291 shares with a par value each of €2. As at this date, the portion of the share capital listed on Euronext Paris and publicly held was 26.53%.

The following movements in equity occurred during the 2012/2013 financial year:

In thousands of euros

Opening equity	**203,155**
2012/2013 financial year movements	
Net result	35,998
Cash dividend distribution	-8,831
Allocation to earnings carried forward	15
Other reserves	0
Reversal on regulated provisions	281
CLOSING EQUITY	**230,618**

The number of treasury shares held as at the year-end date was 13,062, with a value of €965,468.

note 7 Provisions for liabilities and charges

In thousands of euros	30/09/2012	Charges	Reversals	Reversals of provisions used	30/09/2013
Provision for forex losses	8	13		8	13
Deferred tax liability	0				0
Miscellaneous	0	804			804
TOTAL	**8**	**817**		**8**	**817**

note 8 Liabilities

8.1 Financial debts

	Gross values					Including
In thousands of euros	Total	< 1 year	1 to 5 years	Related companies	Amounts due	Paid outside the Group
Borrowings from financial institutions*	2,250	1,286	964	0	0	0
Intra-Group borrowings	116,790	116,790	0	116,790	3	0
TOTAL	**119,040**	**118,076**	**964**	**116,790**	**34**	**0**

*Of which CIC bank loan in an amount of 2.250 million euros.

Intra-Group financial debts relate to funds managed by Manutan International on behalf of Group subsidiaries as part of the Group's treasury management function.

8.2 Trade payables and other liabilities

	Gross values			Including	
In thousands of euros	Total	-1 year	+1 year	Related companies	Amounts due
Operating payables	2,666	2,666	0	729	1,224
Tax and social security liabilities	3,817	3,817	0	0	3,259
Non-current assets borrowings	886	886	0	559	0
Other	149	149	0	0	0
TOTAL	**7,518**	**7,518**	**0**	**1,288**	**4,483**

note 9 Conversion differences

Non-euro transactions are translated into euros at the transaction date exchange rate. At 30 September 2013 financial year end, all debts, liabilities, receivables and loans are translated at the closing exchange rate for that date, resulting in deferred translation gains and losses of €3,135 and €13,018, respectively.

note 10 Turnover

This amount includes €4.265 million in management fees and €12.436 million in intra-Group services.

note 11 Workforce

The average workforce during the financial year was 92 staff. At 30 September 2013, the workforce totalled 88 staff. It is broken down as follows:

	30/09/2013	30/09/2012
Managers	71	70
Employees	17	16
TOTAL	**88**	**86**

Attendance fees paid to members of the Board of Directors amounted to €85,714.

Remuneration paid to members of the management bodies amounted to €1,951,526.

Pension commitments are comprised of retirement benefits. They are valued based on an actuarial calculation, in compliance with the recommendations of the French National Accounting Council (*"Conseil National de la Comptabilité, CNC"*) using the following assumptions:

- voluntary retirement age: managers 65 years, employees 62 years;
- personnel turnover rate: 8.2% (average rate);
- salary increase rate: 2% (inflation included);
- discount rate: 3.24%.

Manutan International externalised its pension benefits with an insurance company. This resulted in the recording of an insurance premium charge of €8,619.

The Law No 2004-391 of 4 May 2004 instituted an Individual Right to Training (IRT) for employees. No IRT provision was established at 30/09/2013, in compliance with the provisions of the notice issued by the CNC's *Comité d'Urgence* of 13 October 2004. On that date, the IRT acquired by employees from Manutan International amounted to 854 hours.

note 12 CICE

The company received a French tax credit for encouraging competitiveness and jobs of €29,384 at 30 September 2013. This tax credit was used to update the Group's Intranet site.

note 13 Other operating income and expenses

This item comprises €10,558,426 brand royalty payments received from the Manutan France, Belgium, Portugal, Italy, Slovakia, Hungary, Poland, Czech Republic, Spain and Russia, as well as intra-Group project chargeback of €9,885,310.

note 14 Joint ventures

The inter-company restaurant at the new Gonesse site includes two members, one of whom is Manutan International. The operating subsidy borne during the financial year ended 30 September 2013 in this regard amounted to €177,565.

note 15 Financial result

15.1 The net financial result was €35.664 million and may be analysed as follows:

In thousands of euros	30/09/2013	30/09/2012
Shareholdings' investments financial income	(1) 35,564	(1) 9,874
Marketable securities net income	+92	722
Net exchange gains	+12	77
Treasury shares writedown provision charge	0	0
Provisions for exchange losses reversals/charges	-4	4
TOTAL	**35,664**	**10,677**

(1) Breakdown:
At 30 September 2013:
+€40,458,399 in dividend and interest income;
-€599,335 in provision for financial asset writedown charges;
-€4,834,557 in finance costs arising from short-term Company borrowings.
At 30 September 2012:
+€16,938,233 in dividend and interest income;
-€2,701,762 in provision for financial asset writedown charges;
-€4,362,730 in finance costs arising from short-term Company borrowings.

15.2 Foreign exchange hedging

Manutan International may have recourse to derivative financial instruments, such as foreign exchange options, in order to minimise its foreign exchange risk.

Pursuant to the accounting provisions specified by the French regulatory authorities, these instruments are valued at year-end by comparing their historical value with their market value as at that date.

As at 30 September 2013, the forward currency transaction portfolio amounted to €1.8 million, with maturities ranging from October 2013 to March 2014 at an average rate of 1.3316.

The total valuation of these transactions amounted to -€19,237.

15.3 Interest rate hedges

On 27 May 2008 Manutan International took out a €9 million seven-year loan, indexed to the 3-month EURIBOR. This loan was taken out to finance the acquisition of the securities of Trovatar as.

In order to protect itself against the risk of any unfavourable changes in interest rates, Manutan International had subscribed during the 2007/2008 financial year to an interest rate swap for half of the loan amount. Under this swap the variable rate was exchanged for a fixed rate. The swap tracks the depreciation curve of the loan's nominal and the fixing dates are matched with those of the loan. At 30 September 2013 the fair value of the financial instrument was €-48,065.

At 30 September 2013, the cost of financing worked out at 4.56% + margin up until May 2015 for 50%, while the other 50% is now fixed at 3-month EURIBOR + margin.

note 16 Net exceptional expenses

Net exceptional income amounted to -€776,000 and breaks down as follows:

In thousands of euros	30/09/2013	30/09/2012
Non-current asset disposals: proceeds	+5	
Other expenses	-500	-47
Regulated provision charges	-281	-286
TOTAL	**-776**	**-333**

note 17 Income tax

Manutan International heads a tax grouping that also includes Manutan SA and Camif Collectivités, pursuant to Article 223-A of the French General Tax Code.

The provisions of the tax consolidation agreement between the parties result in dividing the tax between the subsidiaries as if they were taxed separately and there was no consolidation.

Manutan International incurred a 2012/2013 income tax charge of €183,793 on behalf of the tax grouping, for which it has sole responsibility for paying. The difference between the tax grouping income tax charge and the amount that would have been collectively paid had the three companies paid their income taxes separately represents €393,463 savings.

note 18 Off-Balance Sheet commitments

18.1 Commitments

Commitment types	Total	Management	Subsidiaries	Associated companies	Other related companies	Other	Provisions
Commitments given							
Bank overdraft	1,049,191		1,049,191				
Guarantee	1,200,000		1,200,000				
Letter of credit	200,000		200,000				
TOTAL	**2,449,191**		**2,449,191**				
Commitments received							
CIC	15,000,000					15,000,000	
BNP PARIBAS	25,000,000					25,000,000	
HSBC	25,000,000					25,000,000	
TOTAL	**65,000,000**					**65,000,000**	
Financial instruments							
CIC interest rate swap (1)	1,125,000					1,125,000	
Forward currency transactions(2)	1,800,000					1,800,000	
TOTAL	**2,925,000**					**2,925,000**	

(1) CIC interest rate swap No 1: notional principal amount amortisable quarterly over 7 years: fixed rate leg 3-month EURIBOR, floating rate leg at 4.56%.

(2) The forward EUR/USD currency transactions have maturities ranging from October 2013 to March 2014, at an average hedged rate of 1.3316.

18.2 Borrowings and other liabilities guaranteed by the pledging of assets

In respect of individuals and companies

Type	Value of debts guaranteed	Value of sureties	Net book value of assets pledged
Convertible bonds			
Other debt securities issued			
Borrowings from financial institutions			
Other financial debts			
Orders advances and prepayments		Néant	
Trade payables			
Tax and social security liabilities			
Non-current assets borrowings			
Other			

18.3 Breakdown by due date of future payment amounts arising from contracted obligations and commitments

In thousands of euros

Financial contracted obligations	Total	Payment commitments by due date		
		Within 1 year	1 to 5 years	After 5 years
Long term borrowings				
Finance lease obligations	2,420	860	1,560	
Pension commitments	80			80
Operating lease obligations				
Irrevocable purchase obligations				
Other long term obligations				
TOTAL	**2,500**	**860**	**1,560**	**80**

Other commercial commitments	Total	Payment commitments by due date		
		Within 1 year	1 to 5 years	After 5 years
Credit lines				
Letters of credit			Néant	
Guarantees – Re-purchase commitments				
Other commercial commitments				
TOTAL				

note 19 Related party transactions

Manutan International, as the Manutan Group's holding company, is responsible for the management of the Group and for providing its resources and expertise. During the past year, payments for its services can be broken down as follows:

- management fees: €4.265 million;
- brand royalties: €10.558 million;
- other intra-group services: €21.629 million. Group subsidiaries reinvoiced Manutan International €4.060 million in services.

Intra-Group transactions are effected under normal terms and conditions, notably taking into account costs effectively incurred for rebilling.

note 20 Subsequent events

On 10 October 2013, the Company acquired 100% of Ikaros Cleantech shares, specialising in products for the environmental protection on the Finnish and Swedish markets.

This transaction was funded entirely from the Group's equity capital and does not undermine its financial strength.

During its last financial year (ended 31 December 2012), Ikaros Cleantech generated revenue of 138 million Swedish krona (€16 million) with an EBIT close to 5% of its turnover.

Financial information relating to subsidiaries and shareholdings

Financial information	*(local currency thousands)*		*In thousands of euros*			*As a %*
Subsidiaries and holdings	**Share capital**	**Share capital other than capital before allocation of profit**	**Share capital**	**Share capital other than capital before allocation of profit**	**Total equity**	**% of capital held**
Witre Sweden A/B (SEK) (1)	8,000	57,285	874	6,667	7,541	100
Manutan Polska Sp z.o.o. (PLN) (1)	850	-38	184	8	192	100
Manutan Hungaria Kft (HUF) (1)	3,000	33,475	12	111	122	100
Trovatar a.s. (CZK) (1)	71,000	5,662	2,706	2,446	5,151	100
Manutan Slovakia S.r.o. (EUR)	7	615	7	615	622	100
Manutan Czk S.r.o. (CZK) (1)	19,300	105,913	613	4,254	4,866	100
Overtoom International Deutschland GmbH (EUR)	1,788	-831	1,788	-831	957	71
Rapid Racking Ltd (GBP) (1)	153	3,620	205	4,307	4,512	100
Manutan Ltd (GBP) (1)	5,825	8,895	8,636	8,970	17,607	100
Manutan SA (EUR)	16,073	92,178	16,073	92,178	108,251	100
Manutan Belgium NV (EUR)	63	3,868	63	3,868	3,931	94
Manutan Spain SL (EUR)	3	224	3	224	227	100
Manutan Italia Spa (EUR)	500	-101	500	-101	399	100
Manutan Portugal Unipessoal Lda (EUR)	100	1,189	100	1,189	1,289	100
Manutan Russia o.o.o. (RUB) (1)	10,350	13,350	296	333	629	100
IronmongeryDirect Limited (GBP)	1	3,516	1	21,460	21,461	100
Manovert BV (EUR)	18	115,053	18	115,053	115,071	100
Sci Philippe Auguste (EUR)	345	0	345	0	345	100
Camif Collectivités Entreprises SAS (EUR)	7,560	4,147	7,560	4,147	11,707	100
Sports et Loisirs SAS (EUR)	1,000	8,393	1,000	8,393	9,393	100

(1) Closing rate at 30/09/2013: GBP: 0.83605 - HUF: 298.15000 - SEK: 8.65750 - PLN: 4.22880 - CZK: 25.73000 - RUB: 43.824000.

(2) Confidential data not released

					In thousands of euros			*local currency thousands*	
		Book value of securities held			Loans and advances granted and not yet repaid				
Gross	Provision	Net	Gross	Provision	Net	Turnover excl. taxes for the last financial year	Profit/Loss for the last financial year	Dividends received by the Company during the financial year	Observations
1,236	0	1,236	0	0	0	182,476	12,643	1,769	
110	0	110	0	0	0	(2)	(2)	(2)	
56	0	56	0	0	0	(2)	(2)	(2)	
8,822	3,597	5,225	0	0	0	(2)	(2)	(2)	
22	0	22	0	0	0	(2)	(2)	(2)	
5,138	0	5,138	0	0	0	309,629	12,893	701	
4,769	3,993	776	0	0	0	(2)	(2)	(2)	
28,014	0	28,014	0	0	0	(2)	(2)	(2)	
14,393	0	14,393	0	0	0	0	593	583	
75,237	0	75,237	0	0	0	212,080	8,208	21,798	
30	0	30	0	0	0	9,563	1,069	401	
106	62	44	3,200	3,200	0	(2)	(2)	(2)	
6,207	5,869	338	0	0	0	(2)	(2)	(2)	
100	0	100	0	0	0	4,967	-37	0	
571	506	65	0	0	0	(2)	(2)	(2)	Financial year ended 31/12/2012
20,951	0	20,951	0	0	0	(2)	(2)	(2)	
72,071	0	72,071	0	0	0	0	3,734	15,000	
345	0	345	0	0	0	(2)	(2)	(2)	
5,438	0	5,438	0	0	0	(2)	(2)	(2)	
17,627	0	17,627	0	0	0	(2)	(2)	(2)	
261,243	**14,027**	**247,216**	**3,200**	**3,200**	**0**				

Five-year review of Company financial results

Description		30/09/2013	30/09/2012	30/09/2011	30/09/2010	30/09/2009
I. Share capital at financial year end	*(€ thousands)*					
a) Share capital value		15,227	15,227	15,227	15,227	15,227
b) Number of ordinary shares in issue		7,613,291 at €2	7,613,291, at €2	7,613,291 at €2	7,613,291 at €2	7,613,291 at €2
c) Number of shares with preferred dividend (with no voting right)						
d) Maximum number of potential new shares arising from:						
• Bond conversion						
• Subscription rights' exercise						
II. Financial year results	*(€ thousands)*					
a) Turnover, net		16,701	13,951	12,742	10,782	11,241
b) Profit before tax, profit sharing plan contributions and amortisation depreciation and provision charges		42,380	17,061	18,622	17,119	21,697
c) Income tax/refund		183	-922	-120	-1,228	-400
d) Employee profit sharing plan contributions		336				
e) Earnings per share on a net result basis		35,998	11,160	14,857	16,211	17,397
f) Dividend distributions		8,603	8,831	10,659	9,136	8,222
III. Earnings and dividend per share	*(in euros)*					
a) Earnings per share after income tax and profit sharing plan contributions but before amortisation, depreciation and provision charges		5.54	2.36	2.46	2.41	2.90
b) Earnings per share on a net result basis		4.73	1.47	1. 95	2.13	2.29
c) Dividends per share		1.13	1.16	1.40	1.20	1.08
IV. Workforce						
a) Average workforce size during the financial year		92	83	62	54	52
b) Payroll	*(€ thousands)*	7,844	6,765	5,714	5,583	4,317
c) Social security and social causes charges	*(€ thousands)*	3,295	2,903	2,205	2,587	1,853

Information on the Company and share capital

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Name and registered office

(Articles 2 and 4 of the Articles of Association)

Name: Manutan International.

Trade name: Manutan

Registered office: ZAC du Parc des Tulipes – Avenue du 21e Siècle – 95506 Gonesse cedex - France

Tel.: +33 (0) 1 34 53 35 00

Legal Department: contact.legal@manutan.com

Legal form

Limited Company with a Board of Directors

The Combined General Meeting of 30 November 2011 voted to change the way the Company is administered and managed by adopting the Board of Directors system.

Governing legislation

French law.

Establishment date and duration

The company was established for a duration of 60 years. It will terminate on 24 April 2025, unless renewed or liquidated.

Object (Article 3 of the Articles of Association)

The Company's objects within France and internationally are:

- the acquisition and management of portfolios of securities and other investments;
- the acquisition of shareholdings in current or new companies, the management and disposal of these holdings;
- the purchase, sale, production of all equipment for businesses and local authorities;
- and, in general, all commercial transactions in securities or real estate, financial or other, directly or indirectly related, in full or in part, to the Company's object or any other object that is similar or connected, that may assist in the conduct of business and its development.

Commercial register

RCS Pontoise 662 049 840

APE Code: 6420Z

Review of Company legal documents

Company documents, in particular articles of association and accounts, may be consulted at the registered office address: ZAC du Parc des Tulipes – Avenue du 21e Siècle – 95500 Gonesse – France, pursuant to legal requirements.

Financial year

The Company's financial year has a duration of 12 months, beginning on 1 October and ending 30 September of the following year.

Allocation and distribution of profits (Article 19 of the Articles of Association)

Distributable profit consists in the profit for the financial year less losses for prior years and the allocation to the legal reserve, plus any earnings carried forward.

This profit is made available to the Meeting which may, at the Board of Directors' suggestion, carry it forward, allocate it to general or special reserves, or distribute it to shareholders in the form of dividends.

In addition, the Meeting may decide to distribute amounts drawn from the reserves at its disposal; in which case, the decision shall expressly specify the reserve items from which the amounts will be drawn. However, the dividend is primarily drawn from the distributable profit for the financial year.

The Meeting considering the accounts for the financial year has the power to grant each shareholder, for all or part of the distributed dividend or interim dividends, an option to choose between the payment in cash or in shares.

Shareholders' meetings

(Article 16 of the Articles of Association)

16-1 The Ordinary General Meetings, Extraordinary General Meetings and Special Meetings have the respective powers awarded to them by law.

16-2 Shareholders' Meetings are convened and deliberate under legal and regulatory conditions. The meetings are held at the Company's registered office or at any other location specified in the notice of meeting.

Any shareholder may attend General Meetings, be represented at General Meetings or vote by proxy, regardless of the number of shares held, provided the shares have been fully paid up and registered under the shareholder's name by the third working day preceding the General Meeting at midnight, Paris time, either in the nominative share register held by the Company or in the bearer share accounts held by the authorised intermediary.

Any shareholder who owns shares in a specific class may attend the Special Shareholders' Meetings for that class of shares, under the same conditions.

16-3 For the purposes of calculating the quorum and majority, shareholders who attend the Meeting via videoconference, or via means of telecommunication that allow them to be identified and that comply with the regulations in force, are deemed to be present, where the Board of Directors decides to use such means of attendance, prior to convening the General Meeting.

16-4 A shareholder may choose to be represented by another shareholder, by their spouse, or by the partner with whom they have entered into a civil partnership. In addition, they may choose to be represented by any other private individual or company of their choice.

Notice of the appointment and replacement of a representative may be given electronically.

16-5 All shareholders may vote by post, by using a form that is only taken into account if the Company receives it at least three days before the Meeting. Where applicable, this form may feature on the same document as the proxy form.

16-6 Where applicable, the postal vote and proxy form delivered by a shareholder are signed by the latter using a secure electronic signature process, according to the meaning of Decree No. 2001-272 of 30 March 2001, which was passed to enable the application of Article 1316-4 of the French Civil Code, or using an electronic signature process approved by the Board of Directors, and which involves using a reliable identification process that guarantees that the signature is linked to the document to which it is attached.

16-7 The shareholder may use the electronic remote voting or proxy form offered on the Company's website dedicated to this purpose, as long as it reaches the Company by 3.00 pm at the latest, Paris time, on the day before the General Meeting is held. This electronic form includes an electronic signature, under the conditions specified in this article.

16-8 Votes are expressed either by show of hands, or by any appropriate technical means decided by the Board of Directors. A secret ballot, the conditions of which shall then be determined by the Meeting, may only take place at the request of the members representing the majority required to pass the resolution in question, either in person or as representatives.

Transfer of equity securities and of marketable securities granting access to the share capital

(Article 12 of the Articles of Association)

Equity securities and marketable securities granting access to the share capital are transferred via account-to-account transfer under the conditions specified by the regulations in force.

Their transfer and transmission are unrestricted. The same goes for the subscription rights to these securities and marketable securities.

Rights and obligations attached to ordinary shares – Vote

(Article 13 of the Articles of Association)

13-1 Possession of an ordinary share implies compliance with the Articles of Association and with the resolutions adopted by all General Meetings on a regular basis.

13-2 The losses incurred by shareholders are proportional to their contribution.

Each ordinary share gives the holder a share in the profits, the corporate assets and the liquidation surplus that are proportional to the percentage of equity capital that it represents.

Where applicable, and subject to mandatory requirements, all ordinary shares shall be considered together, regardless of any tax exemptions or deductions, and of any other taxes likely to be paid by the Company, before making any repayment during the life of the Company, or on its liquidation, in such a way that all ordinary shares receive the same net amount, regardless of their origin and the date when they were issued, according to their respective original par value.

13-3 The voting right attached to ordinary shares is proportional to the percentage of equity capital that they represent, and each share gives the right to at least one vote, subject to the exceptions specified in law and in the articles of association.

In the event that ownership of a share is split, the voting right shall be allocated as follows:

- where the beneficial owner and/or the bare owner benefit from the provisions relating to the partial exemption specified in Article 787 B of the French General Tax Code for their shares, and that they ensure that this attribute is mentioned on the account where their rights are registered, the beneficial owner shall have the right to vote on decisions regarding the allocation of earnings, and the bare owner shall have the right to vote on all other decisions;
- in other cases, the voting right belongs to the beneficial owner at Ordinary General Meetings and to the bare owner at Extraordinary General Meetings.

A voting right that is double the one granted to the other ordinary shares in respect of the share of equity capital that those shares represent, is awarded to all the fully-paid up shares that have been registered in the same shareholder's name for at least two (2) years.

This right is also granted to the free registered shares issued to a shareholder as soon as these shares are issued, on the same basis as the former shares where they enjoyed such a right, in the event of a capital increase through incorporation of reserves, profits or issuance premiums.

Registered shares with double voting-rights that are converted into bearer shares or that change ownership lose the double-voting right, except in cases specified by law.

Form of equity securities and other marketable securities – Identification of shareholders – Crossing of disclosure thresholds (Article 9 of the Articles of Association)

9-1 Unless the issuance contract or the Law provides otherwise, equity securities and all other marketable securities that may be issued by the Company come in registered or bearer form, according to the holder's choice. They can only be in the bearer form when they have been fully paid up.

9-2 The Company has the authority to ask the central financial instruments depositary for information regarding the holders of bearer shares that grant immediate or future voting rights at Shareholders' Meetings, as specified in Law. The Company may also request, in accordance with the Law, the identity of holders of securities where it considers that certain holders, whose identity has been revealed, are holding the securities on behalf of third parties.

The Company may request from any corporate entity holding over 2.5% of the share capital or voting rights to disclose the identity of persons holding, directly or indirectly, more than one third of the share capital of that corporate entity or voting rights at its General Meetings.

9-3 Any private individual or company acting alone or in concert who comes to possess a number of shares or voting rights that is above one of the thresholds established in law, must comply with the information requirements provided for by said law within the specified timeframe. The same information shall also be provided when the share of equity capital or voting rights held falls below the legal thresholds.

Crossing of statutory threshold

No declaration of crossing of a statutory threshold is foreseen.

Board of Directors

(Article 14 of the Articles of Association)

14-1 The Company is governed by a Board of Directors that consists of at least three and at most eighteen members. The maximum number is increased to twenty-four in the event of a merger, according to the conditions specified in law.

In the event that the equity capital held by employees of the Company and related companies under the Company Savings Scheme amounts to over 3% of the equity capital, a Director shall be appointed under the conditions specified in law and in the regulations from among the employee-shareholders or the employees who are members of the Supervisory Board for the corporate mutual fund that holds the shares. This Director is not included when determining the minimum and maximum number of Directors.

14-2 The length of the Directors' appointments is two (2) years.

The number of Directors who have reached the age of 75 cannot exceed one third of the members of the Board of Directors. When this threshold is exceeded, the oldest Director shall be considered to have resigned at the end of the next General Meeting.

14-3 The Board of Directors is convened at the Chairman's initiative, and if the Chairman is not acting as Chief Executive, at the request of the Chief Executive Officer, or again, if the Board has not met for over two months, at the request of at least one third of the Directors. The notice of meeting can be given by any means within a timeframe of eight days, except in the event of an emergency. The notice sets out the agenda that has been drawn up by the person convening the meeting.

The meetings are held at the Company's registered office or at any other location specified in the notice of meeting.

The resolutions of the Board shall only be valid if at least half its members are present. The Rules of Procedure may provide that the Directors who take part in a meeting by way of video-conferencing or telecommunication within the limits and subject to the conditions set by legislation and regulations in force, are considered present, to establish the quorum and the majority.

The Board takes its decisions by majority vote of the members who are present and represented. In the event of a split vote, the Chairman of the meeting has the casting vote.

The Board may appoint a secretary, who may be chosen from outside the Directors, at every meeting.

14-4 The Board of Directors sets the strategic guidelines for the Company's business activities and ensures that they are implemented. Subject to the powers expressly granted to Shareholders' Meetings, the Board addresses any issue that has a bearing on the smooth running of the Company, within the limits of its corporate purpose, and settles matters involving the Company through its resolutions. It performs the controls and checks that it deems appropriate.

14-5 The Board of Directors elects from its members its Chairman and sets his/her remuneration. The age limit for the position of Chairman is set at 75 years.

The Chairman of the Board of Directors organises and directs the work undertaken by the Board, and accounts for it at the General Shareholders' Meeting. He ensures the proper running of the Company's bodies and specifically ensures that the Directors are in a position to fulfil their assignments.

Top Management

(Article 15 of the Articles of Association)

The position of Chief Executive Officer is assumed either by the Chairman of the Board of Directors, under their responsibility, or by another private individual chosen among the Board members or outside those members, who holds the title of Chief Executive Officer.

The Board of Directors chooses between the two ways of performing the Chief Executive Officer's duties. It may alter its choice at any time. It shall inform the shareholders and third parties in each case, in accordance with the regulations in force.

In the event that the Chairman performs the role of Chief Executive Officer, the provisions in these articles of association relating to the Chief Executive Officer apply to the Chairman.

When the Chairman of the Board of Directors does not perform the role of Chief Executive Officer, the Board of Directors appoints a Chief Executive Officer to whom the age limit set for the role of Chairman applies.

The Chief Executive Officer is granted the most extensive powers to act in the name of the Company under all circumstances. They exercise those powers within the limits of the corporate purpose, and subject to the powers expressly granted to the Shareholders' Meetings and to the Board of Directors in law.

The Board of Directors may appoint one or several Deputy Chief Executive Officers, up to a maximum number of five, at the suggestion of the Chief Executive Officer. The age limit set for the position of Chairman also applies to the Deputy Chief Executive Officers.

The Deputy Chief Executive Officers have the same powers towards third parties as the Chief Executive Officer.

The powers of the Chief Executive Officer and of the Deputy Chief Executive Officers may be limited by the Board of Directors within the framework of the Company's internal organisational structure, without these limitations being binding on third parties.

Related party transactions

- Company role towards its subsidiaries – see page 84 of this document.
- Group subsidiaries and jurisdiction– see pages 95 and 126 of this document.
- Group legal organisation and Parent Company Managers' positions in major subsidiaries – see pages 42, 43 and 95 of this document.
- Presentation of movements in subsidiaries' relevant interim management balances and disclosure of strategic economic assets held by them – see page 85 of this document as well as the Note to the consolidated financial statements presented on page 120 of this document.
- Funds flows and nature of these flows between the Parent Company and subsidiaries – see page 84 of this document.
- See the Statutory Auditors' special report on regulated agreements and commitments on page 71 of this document.

Manutan International Shareholders

The identity of persons holding, directly or indirectly at 30 September 2013, more than 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% and 95% of the share capital or voting rights in General Meetings is as follows:

	30/09/2013			30/09/2012			30/09/2011		
Main shareholders	Number of shares	% of share capital held	% of voting rights exercisable	Number of shares	% of share capital held	% of voting rights exercisable	Number of shares	% of share capital held	% of voting rights exercisable
André and Hélène Guichard	1,819,861	23.90	15.90	1,819,861	23.90	15.94	1,819,861	23.90	16.09
Hélène Guichard	588,276	7.73	10.28	588,276	7.73	10.30	588,276	7.73	10.40
Jean-Pierre Guichard	449,196	5.90	7.85	449,196	5.90	7.86	449,196	5.90	7.94
Other members of the Guichard family	304,426	4.00	5.32	304,426	4.00	5.25	304,426	4.00	5.31
M.T. Finance*	2,417,581	31.75	42.24	2,417,581	31.75	42.32	2,417,581	31.75	42.74
Total for the Guichard family	**5,579,340**	**73.28**	**81.59**	**5,579,340**	**73.28**	**81.67**	**5,579,340**	**73.28**	**82.46**
Financière de l'Échiquier	360,510	4.74	3.15	360,510	4.74	3.16	534,199	7.02	4.72
Lazard Frères Gestion	415,000	5.45	3.63	415,000	5.45	3.63	415,000	5.45	3.36
Other registered shares	88,686	1.16	1.55	88,507	1.16	1.48	88,256	1.16	0.81
Publicly held bearer shares	1,155,440	15.18	10.09	1,149,546	15.10	10.06	978,144	12.85	8.65
Total public	**2,019,636**	**26.53**	**18.41**	**2,013,563**	**26.45**	**18.33**	**2,015,599**	**26.48**	**17.54**
Treasury shares**	14,315	0.19	-	20,388	0.27	-	18,352	0.24	-
TOTAL	**7,613,291**	**100.00**	**100.00**	**7,613,291**	**100**	**100**	**7,613,291**	**100**	**100**

* Company whose capital is owned by the Guichard family.

** Treasury shares do not carry voting rights.

To the knowledge of the Company, no other shareholder holds, directly or indirectly, alone or in concert, in excess of 5% of the share capital or voting rights.

There have been no major changes in the shareholdings, as set out above, since 30 September 2013.

Crossing of threshold

- During the financial year ended 30 September 2012, the following crossing of the threshold has been declared: in a letter dated 20 July 2012, Société Financière de l'Échiquier, acting on behalf of funds that it manages, announced that it had descended below the 5% threshold in Manutan International's share capital on 19 July 2012, and that it held 360,510 shares in Manutan International as at that date, which amounted to an equivalent number of voting rights, i.e. 4.74% of the share capital and 3.16% of the voting rights in the Company. This crossing of the threshold results from the sale of shares on the market (AMF Notice N° 212C0947).
- During the financial year ended 30 September 2013, no other crossing of the threshold has been declared.

Agreements among shareholders

The collective agreements on holding shares are presented in the chapter entitled "General information concerning the share capital" on page 157 of this document.

Information disclosed pursuant to Article L.225-100-3 of the Commercial Code

Pursuant to Article L.225-100-3 of the French Commercial Code, we would like to inform you of the following matters, which are liable to have an impact in the event of a public offering:

- The structure of the share capital and the direct or indirect shareholdings known to the Company and any information on the subject are presented in the following table as well as in the Chapter "Analysis of share capital and voting rights" on page 147 of this document.
- There are no statutory restrictions on the exercise of voting rights and transfers of shares.
- Seven shareholders in the Company have signed two agreements to retain shares in the Company pursuant to the preferred tax provisions instituted by the "Dutreil Law" of 1 August 2003. These agreements are presented in the chapter entitled "General information concerning the share capital" on page 157 of this document.
- As far as the Company is aware, there are no other commitments or agreements signed by the shareholders.
- There are no shares in the Company vested with specific control rights, with the exception of a double voting right instituted at least two years ago by Article 13-3 of the Company's articles of association in favour of the registered shareholders.
- No control procedure is provided in the event of potential employee shareholdings with control rights not exercised by the latter.
- The rules governing the appointment and replacement of members of the Board of Directors are the legal and statutory rules provided by Article 14 of the articles of association.
- As regards the powers of the Board of Directors, existing delegations are detailed in the "existing delegations" table on page 152 of this document. The powers of the Board of Directors to buy back shares are described on page 153 of this document.
- Amendments to the Company's articles of association are implemented in accordance with legal and regulatory provisions.
- Agreements on Executive Directors' compensation upon resigning their position are detailed on page 49 of this document.
- The Company has not entered into any agreements that stand to be modified or terminated in the event of a change of control of the Company.

Number of shares purchased and sold during the 2012/2013 financial year in the context of Article L.225-209 of the French Commercial Code

- Number of securities purchased during the year: 28,630
- Number of securities sold during the year: 34,703
- Average purchase price: €33.96
- Average selling price: €33.83
- Total transaction fees*
- Number of treasury shares held at 30 September 2013: 1,253, i.e. around 0.02% of the share capital
- Value at average purchase price at 30 September 2013: €33.96 x 1,253 = €42,549
- Total par value: €2 x 1,253 = €2,506

* These are included in the annual brokerage fees (€37,000).

Reasons for share buyback	% of share capital
Enhancing share liquidity	100%
Employee share ownership	-
Securities giving right to the granting of shares	-
External growth transactions	-
Cancellation of shares	-

Shares held by the Company have not been the subject of uses or reallocations for other purposes during the 2012/2013 financial year.

Employees (Article L.225-102 of the French Commercial Code)

At the end of the 2012/2013 financial year, employee share ownership, as defined by Article L.225-102 of the French Commercial Code, represented 0% of the share capital of the Company.

Other information concerning the share capital

Changes to share capital and associated rights

All changes to the share capital or rights attached to securities comprising the capital are subject to legal requirements. The articles of association provide for nothing more restrictive to such changes than required by law.

Share capital

At 31 January 2014, the share capital amounted to €15,226,582, consisting of 7,613,291 fully paid-up shares with a par value each of €2.

Form of shares

Company shares are in either nominative or bearer form at the shareholder's choice.

Authorisations and existing delegations

The Board of Directors may make use of these delegations and authorisations, which are summarised below, up until the date when they expire (see table on page 152 of this document).

1 Delegation of power to increase the Company's share capital via the incorporation of reserves, profits or share premiums

The Combined General Meeting of 19 March 2013 in its fifteenth resolution granted to the Board of Directors a delegation of authority to increase the share capital via the incorporation of reserves, profits or share premiums for 26 months from the Meeting date, subject to a maximum nominal of €5 million. This amount is separate from all the other ceilings set by the Meeting's other resolutions and does not include the total par value of the additional ordinary shares that may potentially be issued in order to safeguard the rights of the holders of marketable securities that entitle the latter to shares, in accordance with the Law.

This authorization will expire on 18 May 2015.

2 Delegation of authority to issue ordinary shares and/or marketable securities granting access to the share capital of the Company (or a Group company) and/or entitling to the allocation of debt securities with preferential subscription rights

The Combined General Meeting of 19 March 2013, in its eleventh resolution, granted to the Board of Directors a delegation of authority to increase the share capital via the issue of ordinary shares and/or marketable securities granting access to the share capital and/or marketable securities entitling to the allocation of debt securities and reserved for shareholders for 26 months from the Meeting date, subject to a maximum capital increase nominal of €2 (two) million. This amount does not include the total par value of additional ordinary shares to be issued, possibly in order to preserve, in accordance with the law and with the contractual clauses, the rights of the holders of the securities giving access to the share capital of the Company.

The total nominal amount of Company debt securities likely to be issued pursuant to this delegation may not exceed €2 (two) million.

The amounts listed above are separate from all the other ceilings set by the Meeting's other resolutions.

In accordance with the law, the transferable securities to be issued may give access to ordinary shares of any company that owns directly or indirectly more than half of the share capital of our Company or of any company of which our Company owns directly or indirectly more than half on the share capital.

This authorization will expire on 18 May 2015.

3 Delegation of authority to issue ordinary shares and/or marketable securities granting access to the share capital of the Company (or a Group company) and/or entitling to the allocation of debt securities with waiver of preferential subscription rights via a public offering and/or in consideration for securities as part of a public exchange offer

The Combined General Meeting of 19 March 2013, in its seventeenth resolution, granted to the Board of Directors a delegation of authority to issue ordinary shares or marketable securities granting access to the share capital and/or marketable securities entitling to the allocation of debt securities, with waiver of preferential subscription rights via a public offering, for 26 months from the Meeting date.

The maximum total nominal value of the ordinary shares likely to be issued pursuant to the present delegation is €2 (two) million, it being specified that this amount shall be deducted from the total nominal value of the shares issued based on the authority to increase the share capital with waiver of preferential subscription rights via a private placement (outlined below). This amount does not include the total par value of additional ordinary shares to be issued, possibly in order to preserve, in accordance with the law and with the contractual clauses, the rights of the holders of the securities giving access to the share capital of the Company. This amount shall be deducted from the total nominal amount of the share capital increase with waiver of preferential subscription rights via a private placement (outlined below).

The total nominal amount of Company marketable securities representing debt securities likely to be issued pursuant to this delegation may not exceed €2 (two) million, it being specified that this amount shall be deducted from the total nominal value of the debt securities issued based on the authority to increase the share capital with waiver of preferential subscription rights via a private placement (outlined below).

This authorization will expire on 18 May 2015.

4 Delegation of authority to issue ordinary shares and/or marketable securities granting access to the share capital of the Company (or a Group company) and/or entitling to the allocation of debt securities with waiver of preferential subscription rights via a private placement

The Combined General Meeting of 19 March 2013, in its eighteenth resolution, granted to the Board of Directors a delegation of authority to issue ordinary shares or marketable securities granting access to the share capital and/or marketable securities entitling to the allocation of debt securities, with waiver of preferential subscription rights via a private placement, for 26 months from the Meeting date. The issue with no preferential subscription right may be undertaken in the form of an offer referred to in Article L.411-2 of the French Monetary and Financial Code (*Code Monétaire et Financier*) (private placement).

The maximum nominal amount of shares likely to be issued pursuant to this delegation is €2 million or 20% of the share capital per year. This amount does not include the total par value of additional ordinary shares to be issued, possibly in order to preserve, in accordance with the law and with the contractual clauses, the rights of the holders of the securities giving access to the share capital of the Company. This amount shall be deducted from the total nominal amount of the share capital increase with waiver of preferential subscription rights via a public offering (outlined above).

This amount is charged to the total nominal amount of shares issued on the basis of the authorisation to carry out the capital increase with waiver of preferential subscription rights via a public offering (outlined above).

The total nominal amount of Company marketable securities representing debt securities likely to be issued pursuant to this delegation may not exceed €2 (two) million, it being specified that this amount shall be deducted from the total nominal value of the debt securities issued based on the authority to increase the share capital with waiver of preferential subscription rights via a public offering (outlined above).

This authorization will expire on 18 May 2015.

5 Authorisation to set the issue price in accordance with the conditions determined by the Meeting, in the event of an issue with waiver of preferential subscription rights, within an annual limit of 10% of the share capital

The Combined General Meeting of 19 March 2013 in its nineteenth resolution authorised the Board of Directors which decides to issue ordinary shares and/or marketable securities granting access to the share capital with a waiver of preferential subscription rights pursuant to the seventeenth and eighteenth resolutions to be exempt, within an annual limit of 10% of the share capital, from the conditions for setting the price specified in the aforementioned resolutions, and to set the issue price for the equivalent capital securities according to the conditions below:

The issue price of the equivalent capital securities to be issued immediately or in the future shall not be lower than the weighted average price of the Company's stock on the day prior to the setting of the issue price, less a potential maximum discount of 15%.

This authorization will expire on 18 May 2015.

6 Authorisation to increase the size of issues in the event of excess demand

In the context of the authorisations for issues with and without preferential subscription rights mentioned above, the Combined General Meeting of 19 March 2013 granted in its twentieth resolution the Board of Directors the power to increase the number of shares planned as part of the initial issue, according to the conditions and limits established by legal and regulatory provisions, and within the limits of the ceilings set by the Meeting.

This authorization will expire on 18 May 2015.

7 Delegation of authority to increase the share capital within a 10% limit with waiver of preferential subscription rights, in order to pay for contributions in kind of equity or marketable securities granting access to the share capital

The Combined General Meeting of 19 March 2013 granted in its twenty-first resolution the Board of Directors a delegation of authority to increase the share capital through issuing ordinary shares or marketable securities granting access to the share capital, in order to pay for potential contributions in kind granted to the Company and consisting of equity or marketable securities granting access to the share capital.

This delegation was granted for a period of 26 months.

The total nominal amount of the shares likely to be issued under this delegation cannot exceed 10% of the share capital. This amount does not include the total par value of additional ordinary shares to be issued, possibly in order to preserve, in accordance with the law and with the contractual clauses, the rights of the holders of the securities giving access to the share capital of the Company.

This maximum limit is independent of all limits provided for the other capital increase delegations.

This authorization will expire on 18 May 2015.

8 Delegation of authority to increase the share capital by issuing shares with waiver of preferential subscription rights reserved for the members of a Company Savings Scheme (PEE), in application of Articles L.3332-18 et seq. of the French Labour Code, length of the delegation

The Combined General Meeting of 19 March 2013 in its twenty-second resolution authorised the Board of Directors to increase, pursuant to the conditions of Articles L.3332-18 *et seq.* of the French Labour Code, on one or more occasions, the share capital reserved for employees who are members of an Company Savings Scheme (PEE), during 26 months from the date of the Meeting, up to a nominal amount of €160,000 (one hundred sixty thousand).

This maximum limit is independent of all limits provided for the other capital increase delegations.

This authorization will expire on 18 May 2015.

9 Authorisation to grant free shares

In accordance with Articles L.225-197-1 and L.225-197-2 of the French Commercial Code, the Combined General Meeting of 11 March 2011 in its seventeenth resolution authorised the Management Board to award existing ordinary shares or to issue new shares of the Company in favour of salaried staff of the Company or of companies related directly or indirectly, within the meaning of Article L.225-197-2 of the French Commercial Code and/or to Corporate Officers that meet the conditions set forth in Article L.225-197-1 of said Code.

The total number of free shares thus granted cannot exceed 1% of the share capital at the date of the Management Board's decision to grant them.

This authorisation is valid for 38 months. It will expire in May 2014 and a proposal to renew it will be made at the General Meeting on 13 March 2014.

Current delegations

Kind of delegation or authorisation	Extraordinary General Meeting	Expiry	Amount authorised	Use during previous financial years	Use during the financial year ended 30/09/2013	Residual amount at 01/10/2013
1 Delegation of power to increase the Company's share capital via the incorporation of reserves, profits and/or share premiums	19 March 2013	18 May 2015	€5 million	N/A	0	€5 million
2 Delegation of authority to issue ordinary shares and/or marketable securities granting access to the share capital of the Company (or a Group company) and/or entitling to the allocation of debt securities with preferential subscription rights	19 March 2013	18 May 2015	€2 million	N/A	0	€2 million
3 Delegation of authority to issue ordinary shares and/or marketable securities granting access to the share capital of the Company (or a Group company) and/or entitling to the allocation of debt securities with waiver of preferential subscription rights via a public offering and/or in consideration for securities as part of a public exchange offer	19 March 2013	18 May 2015	€2 million*	N/A	0	€2 million*
4 Delegation of authority to issue ordinary shares and/or marketable securities granting access to the share capital of the Company (or a Group company) and/or entitling to the allocation of debt securities with waiver of preferential subscription rights via a private placement	19 March 2013	18 May 2015	€2 million* 20% of the share capital per year	N/A	0	€2 million* 20% of the share capital per year
5 Authorisation to set the issue price in accordance with the conditions determined by the Meeting, in the event of an issue with waiver of preferential subscription rights, within an annual limit of 10% of the share capital	19 March 2013	18 May 2015	10 % of the share	N/A	0	10 % of the share
6 Authorisation to increase the size of issues in the event of excess demand	19 March 2013	18 May 2015		N/A	0	-
7 Delegation of authority to increase the share capital within a 10% limit with waiver of preferential subscription rights, in order to pay for contributions in kind of equity or marketable securities granting access to the share capital	19 March 2013	18 May 2015	10 % of the share capital	N/A	0	10 % of the share capital
8 Delegation of authority to increase the share capital by issuing shares with waiver of preferential subscription rights reserved for the members of a Company Savings Scheme (PEE), in application of Articles L.3332-18 *et seq.* of the French Labour Code	19 March 2013	18 May 2015	€160,000	N/A	0	€160,000
9 Authorisation to grant new free shares	11 March 2011	10 May 2014	1% of the share capital	N/A	0	1% of the share capital

* Same maximum limit.

Financial instruments not representative of share capital

None.

Potential share capital

No share options or new free shares were granted. There is no other financial instrument with a potential to dilute share capital.

Share buyback programme

The General Meeting of 19 March 2013 authorised the Board of Directors, for a period of 18 months, to trade in its own shares on the stock market.

The purpose of this programme is to:

- encourage trading in the secondary market or the liquidity of the Company stock through an investment service provider, in the framework of a liquidity contract that complies with the professional ethics charter of the representative body for professionals working in the securities industry and financial markets in France ("*Association Française des Marchés Financiers, AMAFI*"), approved by the French Financial Markets Authority ("*Autorité des Marchés Financiers, AMF*");
- ensure share purchase option plans and other forms of awarding shares to Group employees and/or Corporate Officers are covered in accordance with the terms and conditions provided for by the Law, particularly with regard to profit-sharing, Company Savings Scheme or the award of free shares;
- retain the shares acquired and subsequently exchange them or use them as payment in the context of potential external growth transactions;
- provide cover for marketable securities that entitle to acquire shares of the Company in accordance with regulations in force;
- cancel any shares acquired, subject to authorisation granted by the General Meeting of Shareholders of 13 March 2012 in its seventh resolution (extraordinary session).

The purchase price cannot exceed €100. The maximum amount of the transaction was set at €38,066,400. The number of shares that may be purchased by the Company does not exceed 5% of the number of shares comprising the share capital.

The Company only made use of this authorisation as part of a liquidity contract with Oddo Corporate Finance.

In addition, the Combined General Meeting of 13 March 2012 authorised the Board of Directors to reduce the share capital by cancelling shares purchased as part of its buyback programme, under the conditions specified in law.

Treasury shares purchased during the financial year ended 30 September 2013, as part of the share buyback programme and on behalf of the Company are summarised in the table below. These share purchases were only undertaken to sustain the share price.

	2012/2013	Total gross flows
In euros	**Purchases**	**Sales**
Number of shares	28,630	34,703
Average transaction price	33.96	33.83
AMOUNT	**972,206**	**1,174,037**

The monthly declarations of trading in the Company's shares carried out under the liquidity contract with Oddo Corporate Finance were filed monthly with the French Financial Markets Authority ("*Autorité des Marchés Financiers, AMF*") during 2012/2013.

Authorisation of a new share buyback programme

At the next General Meeting, it will be proposed to renew the Company's share buyback programme, as referred to in the reports of the Board to the Meeting.

Liquidity contract

In the context of a share buyback programme authorised by the General Meeting of 19 March 2013, the Company, in tandem with Oddo Corporate Finance, renewed a liquidity contract in accordance with the professional ethics charter of the representative body for professionals working in the securities industry and financial markets in France ("*Association Française des Marchés Financiers, AMAFI*"). Under this agreement Oddo Corporate Finance acts as the liquidity provider.

The transactions performed in the context of this buyback programme during the 2012/2013 financial year are listed below, in the paragraph entitled "Share buyback programme", as well as on page 159.

The Company has not made use of derivative products.

Description of the share buyback programme

In accordance with the provisions of Article 241-2 of the AMF's (*Autorité des Marchés Financiers*) General Regulations and with European Regulation No. 2273/2003 of 22 December 2003, this description set outs the purpose of and procedures for the Company's share buyback programme.

This programme will be subject to authorisation of the General Meeting of 13 March 2014. Prior notice will be published in the BALO (*Bulletin des Annonces Légales Obligatoires*) of 5 February 2014, and notice of the meeting will be published in the BALO of 26 February 2014.

1 Breakdown of treasury shares held at 24 January 2014 according to their purpose

Number of shares held directly or indirectly: 2,820 shares representing 0.04% of the Company's share capital. Number of shares held according to their purpose:

- maintaining a liquid market for the shares via an AMAFI liquidity contract: 2,820;
- covering share purchase options or other forms of employee share ownership: N/A;
- external growth transactions: N/A;
- covering marketable securities that entitle the holder to the allocation of shares: N/A;
- cancelling shares: N/A.

2 New share buyback programme

- Programme authorisation: General Meeting of 13 March 2014.
- Securities involved: ordinary shares
- Maximum percentage of the share capital authorised for buyback:

5% (i.e. 380,664 as of today), it being specified that this limit shall be reviewed at the buyback date in order to take into account any potential transactions involving an increase or decrease in the share capital that may take place during the programme. The number of shares taken into account to calculate this limit shall correspond to the number of shares bought back, less the number of shares resold to maintain the liquidity of the share price during the programme.

- Maximum purchase price: €100
- Maximum amount of the programme: €38,066,400.
- Buyback terms and conditions: the share buyback may be undertaken by any means, including block purchases, and at times the Board of Directors determines, including the period of a public offering, within the limits set by Stock Exchange regulations. The Company reserves the right to use options and derivative products within the framework of applicable regulations.

Objectives

- Encourage trading in the secondary market or the share liquidity via an investment service provider, through a liquidity contract in accordance with the professional ethics charter of the representative body for professionals working in the securities industry and financial markets in France ("*Association Française des Marchés Financiers, AMAFI*"), approved by the French Financial Markets Authority ("*Autorité des Marchés Financiers, AMF*").
- Ensure the coverage of share purchase option plans and/or free share plans (or similar plans) for the benefit of employees and/or of the Group's Corporate Officers, and of any share awards as part of a Company or Group Savings Scheme (or similar scheme), in connection with profit-sharing and/or any other forms of share awards to employees and/or to the Group's Corporate Officers.
- Retain the shares acquired and subsequently exchange them or use them as payment in the context of any external growth transactions.
- Provide cover for marketable securities that entitle to acquire shares of the Company in accordance with regulations in force.
- Cancel any shares acquired, subject to authorisation granted by the General Meeting of Shareholders of 13 March 2012 in its seventh resolution (extraordinary session). A proposal to renew it will be made at the General Meeting on 13 March 2014.

Programme duration

- 18 months from the General Meeting of 13 March 2014, i.e. until 12 September 2015.

Pledges, guarantees and sureties on Company shares

The Company is not aware of any pledges, guarantees or sureties that have been granted on its shares.

Summary of transactions in Company shares by Corporate Officers

and senior management and their close family during the financial year just ended (Articles L.621-18-2 of the French Monetary and Financial Code ("*Code Monétaire et Financier*") and Article 223-26 of the French Financial Markets Authority's ("*Autorité des Marchés Financiers, AMF*") General Regulations

As far as the Company is aware, no transactions involving securities were undertaken during the 2012/2013 financial year by Corporate Officers or senior management of Manutan International or by persons connected to them.

Movements in share capital *(in euros and French Francs)*

Year	Transactions		Change in capital	Share premium	New capital amount	Total number of shares	Par value of the share
Situation at 01/10/1993		*In euros* *In French Francs*			2,750,952 18,045,060	1,804,506	10
1993/1994	Capital increase via the incorporation of reserves	*In euros* *In French Francs*	2,750,952 18,045,060		5,501,903 36,090,120	3,609,012	10
1995/1996	Capital increase in cash and via the incorporation of reserves	*In euros* *In French Francs*	5,672,921 37,211,920	1,387,341 9,100,360	11,174,824 73,302,040	7,330,204	10
1996/1997	Cash capital increase	*In euros* *In French Francs*	131,381 861,800	1,011,630 6,635,860	11,306,205 74,163,840	7,416,384	10
1997/1998	Cash capital increase, merger	*In euros* *In French Francs*	98,127 643,670	3,060,737 20,077,118	11,404,332 74,807,510	7,480,751	10
08/01/1999	Capital increase via the incorporation of reserves	*In euros*	3,557,171		14,961,503	7,480,751	2
30/09/1999	Cash capital increase	*In euros*	46,000	259,011	15,007,503	7,503,751	2
30/09/2000	Cash capital increase(1)	*In euros*	219,080	1,233,756	15,226,582	7,613,291	2

(1) Exercise of share option.

There has been no movement in share capital since 30 September 2000.

Special report on the allocation of free shares General Meeting of 19 March 2013 (Article L.225-197-4 of French Commercial Code)

1 Summary of free shares allocated

Plan name	Date of the General Meeting authorisation	Date of the award of free shares by the Management Board	Number of shares awarded	Type of shares to be awarded: new or existing	Effective award date	Value of the share* *(in euros)*
Free Share Plan No. 1	25 February 2005	12 July 2005	2,000	existing	12 July 2007	39.76
Free Share Plan No. 2	13 March 2008	15 January 2009	20,000	existing	15 January 2011	32.61

* This corresponds to the weighted average price of the 3 stock market trading days preceding the decision by the Management Board to allocate.

2 Allocation to the Company's Corporate Officers during the year ended 30 September 2013

None.

3 Allocation to ten employees of the Company with the highest number of shares allocated during the year ended 30 September 2013

None.

4 Awards granted to all employee beneficiaries by the Company and by related companies or groups during the financial year ended 30 September 2013

None.

Analysis of share capital and voting rights

On 24 January 2014, the date this document was drawn up, the Company's share capital was comprised of 7,613,291 shares. On the same date, the number of theoretical voting rights (including voting rights attached to non-voting right shares) was 11,461,041 and the number of voting rights exercisable in Ordinary General Meeting was 11,445,159.

To the knowledge of the Company, the main shareholders are as follows on 24 January 2014:

Main shareholders	Number of shares	Number of single voting rights	Number of double voting rights	Total number of voting rights	Percentage of share capital	Percentage of voting rights
André & Hélène Guichard	1,819,861	1,819,860	1	1,819,862	23.90%	15.90%
André Guichard	258,312		258,312	516,624	3.39%	4.51%
Hélène Guichard	588,276		588,276	1,176,552	7.73%	10.28%
Jean-Pierre Guichard	449,196		449,196	898,392	5.90%	7.85%
Claudine Guichard	37,114		37,114	74,228	0.49%	0.65%
Hervé Guichard	4,500		4,500	9,000	0.06%	0.08%
Xavier Guichard	4,500		4,500	9,000	0.06%	0.08%
M.T. Finance*	2,417,581		2 417,581	4,835,162	31.75%	42.25%
Subtotal Guichard family	5,579,340	1,819,860	3,759,480	9,338,820	73.28%	81.60%
Lazard Frères Gestion	415,000	415,000		415,000	5.45%	3.63%
Financière de l'Échiquier	360,510	360,510		360,510	4.74%	3.15%
Treasury shares**	15,882			-	0.21%	0.00%
Publicly registered	88,678	408	88,270	176,948	1.16%	1.55%
Publicly held bearer shares	1,153,881	1,153,881		1,153,881	15.16%	10.08%
Subtotal Public	2,033,951	1,929,799	88,270	2,106,339	26.72%	18.40%
TOTAL	**7,613,291**	**3,749,659**	**3,847,750**	**11,445,159**	**100.00%**	**100.00%**

* Share indirectly owned by the Guichard family.

** AShares held by Lazard Frères Gestion on behalf of investment funds and unit trusts, including 13,062 direct registered shares and 2,820 treasury shares held as part of the share buyback programme under the liquidity agreement.

To the knowledge of the Company, no other shareholder holds, directly or indirectly, alone or in concert, in excess of 5% of the share capital and voting rights of the Company.

Voting rights exercisable by bare owners in Extraordinary General Meeting

Main shareholders	Total number of shares	Total number of voting rights	Percentage of voting rights exercisable
Hervé Guichard	93,386	186,772	1.63%
Xavier Guichard	93,386	186,772	1.63%
Jean-Pierre Guichard	659,816	1,319,632	11.53%

Voting rights exercisable by beneficial owners in Ordinary General Meeting

Main shareholders	Total number of shares	Total number of voting rights	Percentage of voting rights exercisable
André Guichard	258,312	516,624	4.51%
Hélène Guichard	588,276	1,176,552	10.28%

Control of the Company

The Company is controlled by the Guichard Family in accordance with the procedures described above. Nonetheless, the Company has taken a certain number of measures to prevent misuse of control, namely:

- the presence of three independent members among the nine members who make up the Board of Directors (situation as at 31 January 2014). Furthermore, the presence of independent members on the Board should be strengthened by the appointment of Mrs Violette Watine at the Meeting of 13 March 2014, when the Middlenext Code only requires the presence of two independent members;
- the splitting of the Chairman of the Board and Chief Executive Officer's roles;
- the presence of all the independent members in the Audit Committee and the Appointments and Remuneration Committee.

Shareholders' agreement

No shareholders' agreement or any clause in an agreement that envisages preferential conditions for the sale or purchase of shares has been notified to the French Financial Markets Authority ("*Autorité des Marchés Financiers, AMF*").

Group personnel hold no shares in the Company's share capital by way of special investment funds.

Analysis of share capital ownership movements during the last three financial years

As a %	30/09/2013	30/09/2012	30/09/2011
Guichard family	73.28	73.28	73.29
Public and other registered shares	26.55	26.55	26.54
Direct registered treasury shares	0.17	0.17	0.17
TOTAL	**0**	**100**	**100**

Collective agreements to retain securities of Manutan International

The members of the Guichard family, Company's shareholders, signed on 28 August 2006 a collective agreement to retain securities, pursuant to Article 787B of the French General Tax Code ("*Code Général des Impôts*"), by which they are required to retain collectively 1,812,898 shares of Manutan International, representing at the date of the collective agreement signature 23.81% of the financial rights and 31.94% of voting rights attached to shares issued by the Company.

This commitment was entered into for a period of twenty four months, which starts to run from its registration with effect from 28 August 2006. At its expiry, it will be extended year by year by tacit agreement.

Every member has the facility to withdraw from the agreement subject to the notification of his/her decision to the others one month before the end of the period in progress.

The collective agreement to retain was signed by:

- André Guichard, Director,
- Hélène Julliard, married to André Guichard,
- Jean-Pierre Guichard, Chairman of the Board of Directors,
- Claudine Laffont, married to Jean-Pierre Guichard,
- Hervé Guichard, Chief Executive Officer and Director,
- Xavier Guichard, Deputy Chief Executive Officer and Director,
- the company MT Finance whose share capital is fully held by the Guichard family referred to above.

The members of the Guichard family, Company's shareholders, signed on 29 November 2012 a second collective agreement to retain securities, pursuant to Article 787B of the French General Tax Code ("*Code Général des Impôts*"), by which they are required to retain collectively 3,661,759 shares of Manutan International, representing at the date of the collective agreement signature 48.09% of the share capital, 48,22% of the financial rights and 48.01% of theoretical voting rights attached to shares issued by the Company.

This commitment was entered into for a period of twenty four months, which starts to run from its registration. At its expiry, it will be extended year by year by tacit agreement.

Every member has the facility to withdraw from the agreement subject to the notification of his/her decision to the others three months before the end of the period in progress.

These two collective agreements, which have the same signatories, are intended to coexist. The only difference is the scope of the actions under the undertakings, as the second undertaking includes a higher number of financial and voting rights than the first.

Main index	CAC All-Tradable
Other indices	CAC Small and CAC MID & Small
Market	Euronext – Compartiment B
Stock exchange	NYSE Euronext (Paris)
Code or symbol	MANUTAN INTL
Code ISIN	FR0000032302
Reuters	MATP.PA
Bloomberg	MAN FP

Stock market information

5-year data	30/09/2013	30/09/2012	30/09/2011	30/09/2010	30/09/2009
Number of shares	7,613,291	7,613,291	7,613,291	7,613,291	7,613,291
Closing price (*at 30/09*)	40,67	30,95	42,07	45,5	39,6
Market capitalisation (*€ million*)	310	236	320	346	301
Highest price (*in euros*)	41,99	43,52	54,15	47,00	42,70
Lowest price (*in euros)*	27,98	28,35	41,00	37,10	23,99
Average daily volume (*in number of shares*)	3,094	1,723	1,004	1,283	1,936
Average daily capital (*in euros*)	103,954	58,133	49,211	53,123	64,520

1 Share capital

The Company's share capital at 31 January 2014 consists of 7,613,291 shares with a par value of €2 each.

On that date, the public holds 26.51% of the Group's share capital. The percentage of shares that the Company holds as treasury stock is 0.21%. The remainder of the capital is owned, directly or indirectly, by the Guichard family.

Shareholders at 30 September 2013

At 30 September 2013, the Manutan share (Manutan Intl) amounted to €40.67, an increase of 31.4% compared with the closing price at 30 September 2012. At 24 January 2014, the share price amounted to €49.50.

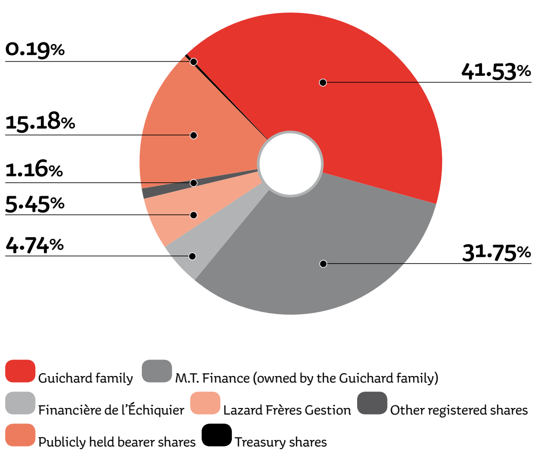
Control of the Company

At 30 September 2013, 73.28% of the Company's share capital and 81.59% of its voting rights are owned and controlled, directly and indirectly, by the Guichard family.

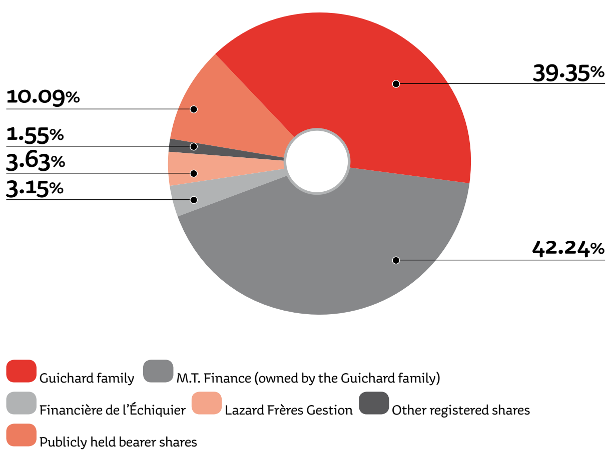
A list of shareholders at 30 September 2013 is also presented on pages 147 et seq. of this document, in the chapter entitled "General information concerning the share capital".

SHARE CAPITAL AT 30 SEPTEMBER 2014

Main shareholders



VOTING RIGHTS AT 30 SEPTEMBER 2014



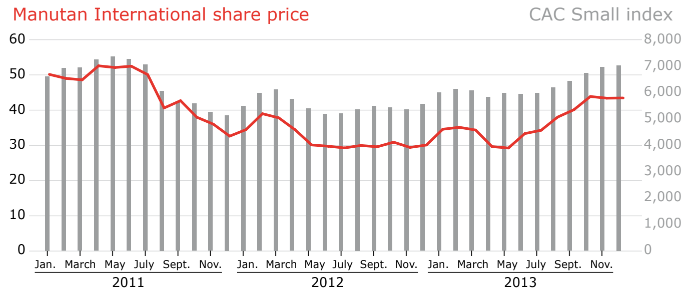
Liquidity contract

In tandem with Oddo Corporate Finance, Manutan International has entered a liquidity contract, in accordance with the professional ethics charter of the representative body for professionals working in the securities industry and financial markets in France ("*Association Française des Marchés Financiers, AMAFI*"), as part of its share buy-back programme. See also page 153 of this document.

Change in the share price

Versus the CAC Small index

1 January 2011 to 31 December 2013



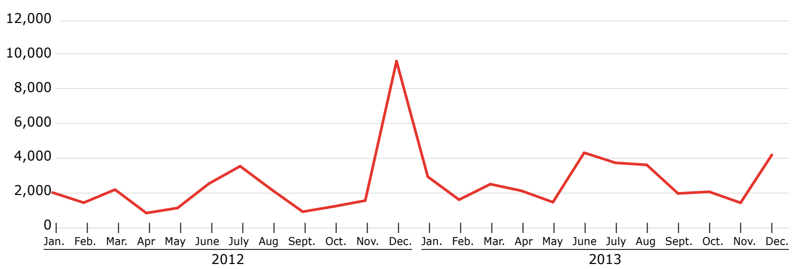
2 Movement in the share price

During the financial year, the share price reached its highest closing price (€41.99) on 20 September 2013, and its lowest closing price (€27.98) on 9 May 2013. At 30 September 2013, the closing price was €40.67 (€30.95 in September 2012). PER amounted to 13.27 on the basis of the Group consolidated net result at 30 September 2013.

Trading volume

957,130 Manutan International shares worth €34.1 million were traded between 1 October 2012 and 31 December 2013 (compared with 693,178 shares worth €22.9 million during the previous financial year).

Average daily trading volume – January 2012 to December 2013



4 Dividends

In euros Use during the financial year ended	30/09/2013	30/09/2012	30/09/2011	30/09/2010	30/09/2009
Net result	23,277,107	23,900,875	28,531,420	24,404,749	19,702,403
Number of shares	7,613,291	7,613,291	7,613,291	7,613,291	7,613,291
Total dividend distributed	8,603,019	8,831,417	10,658,607	9,135,949	8,222,354
Price	40.67	30.95	42.07	45.5	39.6
Net earnings per share (1)	3.06	3.14	3.75	3.21	2.6
Net dividend per share	1.13	1.16	1.40	1.20	1.08
40% reduction (2)	0.45	0.46	0.56	0.48	0.43
Dividend distribution rate *(%)*	37.0	37.0	37.4	37.5	42
Total gross yield (3) *(%)*	3.89	5.25	4.66	3.69	3.81

(1) Earnings per share on a net result basis are calculated using the average number of shares in issue during the said year.

(2) Reduction of 40% provided for by Article 158-3-2 of the French General Tax Code ("*Code Général des Impôts*") for individuals tax resident in France.

(3) Calculated using share price on 30 September in each financial year.

Over the last five financial years the dividend distributed represented between 37% and 42% of consolidated net profit. At the General Meeting of 13 March 2014, the Board of Directors will propose a distribution rate of 37% of consolidated net profit, i.e. €1.13 per share for the financial year ended 30 September 2013.

Dividend collection period: 5 years

Assignment of unclaimed dividends:

Direction Nationale d'interventions domaniales – Service des curatelles – Les Ellipses – 3, avenue du chemin de Presles – 94417 Saint-Maurice Cedex - France

Additional information/ Appendices

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Responsibility for the reference document

Xavier Guichard, Chief Executive Officer of Manutan International – ZAC du Parc des Tulipes – Avenue du 21e Siècle – 95506 Gonesse Cedex – France

Declaration from the person responsible for the reference document

"To my knowledge, after having taken all reasonable measures for this purpose, I hereby attest that the information presented in this Reference Document fairly reflects the current situation and that no material omissions have been made.

To my knowledge, the financial statements were prepared in accordance with applicable accounting standards and fairly present the assets, financial position and net result of the Company and Companies included in the consolidation scope, and that the Management Report, presented on page 81, presents a fair view of the operations, results and financial position of the Company and Companies included in the consolidation scope, as well as a description of the major risks and uncertainties they face.

I have obtained from the Statutory Auditors an end of engagement letter, where they state that they verified the information on the financial position and the accounts in the present prospectus as well as reading the complete prospectus, in accordance with the doctrine and professional standards applicable in France

The consolidated financial statements for the financial year ended 30 September 2013 and the Parent Company financial statements for the year ended 30 September 2013, which are set out on pages 94 and 128 of this document, respectively, have been the subject of reports prepared by Statutory Auditors, as required in Law. The Statutory Auditors' reports on the consolidated and parent company financial statements do not contain any observations.

Responsibility for the Statutory Audit

Principal Statutory Auditors

Mazars SA

Represented by Simon Beillevaire

Tour Exaltis

61, rue Henri Régnault – 92400 Courbevoie

Initial appointment date: 14 March 2003

Term of office expiry date: Ordinary General Meeting convened to consider the accounts for the financial year ended 30 September 2014.

KPMG SA

Represented by Laurent Prévost

3, cours du Triangle – 92939 Paris-La Défense Cedex

Initial appointment date: 4 March 2004

Term of office expiry date: Ordinary General Meeting convened to consider the accounts for the financial year ended 30 September 2015.

Alternate Statutory Auditors

Jean-Maurice El Nouchi

7, rue de Florence – 75008 Paris

Initial appointment date: 11 March 2011

Term of office expiry date: Ordinary General Meeting convened to consider the accounts for the financial year ended 30 September 2014.

Mr El Nouchi was appointed following the resignation of Mr Philippe Bouillet, the Alternate Statutory Auditor.

KPMG Audit IS SAS

Immeuble Le Palatin

3, cours du Triangle – 92939 Paris-La Défense Cedex

Initial appointment date: 18 March 1998

Term of office expiry date: Ordinary General Meeting convened to consider the accounts for the financial year ended 30 September 2015.

The principal and alternate Statutory Auditors are registered with the Regional Association of statutory auditors of Versailles (*Compagnie Régionale des Commissaires aux Comptes de Versailles*).

Relationship with the shareholders and documents available to the public

Responsibility for financial information

Brigitte Auffret – Deputy Chief Executive Officer

Secretariat tel.: +33 (0)1 34 53 18 33

Email: brigitte.auffret@manutan.com

Investor contact

Yassine Soumari – Corporate Finance

Tel.: +33 (0)1 34 53 35 55

contact.investors@manutan.com

Documents available to the public

The deed of incorporation and the Company's articles of association, as well as all reports, letters and other documents, historical financial information of the Company and its subsidiaries over the past two financial years, valuations and statements prepared by any expert when such documents are required by the Law, and any other document required by the Law may be consulted at the Company's office address: Manutan International – ZAC du Parc des Tulipes – Avenue du 21e Siècle – 95506 Gonesse Cedex – France.

The major press releases and documents published by the Company are available to the public on the Company's website at www.manutan.com.

Statutory Auditors' fees

The Statutory Auditors' fees are listed on page 127 (Note 12) of this document.

List of operations

Parent company

Manutan International

ZAC du Parc des Tulipes
Avenue du 21e Siècle
95500 GONESSE
Tel.: +33 (0)1 34 53 35 00
Fax: +33 (0)1 34 53 10 33 `
www.manutan.com
Email: contact.legal@manutan.com
VAT No.: FR 36 662 049 840
Siren No.: 662 049 840
Chairman of the Board of Directors:
Jean-Pierre Guichard

List of subsidiaries

Manutan SA

ZAC du Parc des Tulipes
Avenue du 21e Siècle
95500 GONESSE
Tel.: +33 (0)1 34 53 35 35
Fax: +33 (0)1 39 85 31 32
Email: info@manutan.fr
VAT No.: FR 17 334 668 852
Siren No.: 334 668 852
Managing Director: Hervé Guichard

SCI Philippe Auguste

ZAC du Parc des Tulipes
Avenue du 21e Siècle
95500 GONESSE
Tel.: +33 (0)1 34 53 35 00
Fax: +33 (0)1 34 53 10 34
Email: contact.legal@manutan.com
Siren No.: 319 087 110
Co-Managers: Jean-Pierre Guichard/Hervé Guichard

Manutan Inter-Company Restaurant Association (RIE)

ZAC du Parc des Tulipes
Avenue du 21e Siècle
95500 GONESSE
Tel.: +33 (0)1 34 53 17 17
Fax: +33 (0)1 39 87 25 76
VAT No.: FR 95 534 677 349
Siren No.: 534 677 349
Chairman: Hervé Guichard

Camif Collectivités Entreprises SAS

ZA Le Généteau – Chauray
79074 NIORT CEDEX 9
Tel.: +33 (0)5 49 34 62 00
Fax: +33 (0)800 34 30 30
www.camif-collectivites.fr
Email: contact@camif-collectivites.fr
VAT No.: FR 55 402 673 560
Siren No.: 402 673 530
Chairman: Hervé Guichard
Managing Director: Régis Grosshans

Sports et Loisirs SAS (Trade name: CASAL Sport)

ZAC Activeum – Rue Blériot
67129 MOLSHEIM CEDEX
Tel.: +33 (0)3 88 10 32 32
Fax: +33 (0)3 88 10 32 33
www.casalsport.com
Email: mail@casalsport.com
VAT No.: FR 26 310 269 378
Siren No.: 310 269 378
Chairman: Hervé Guichard
Managing Director: Régis Grosshans

Manutan Italia Spa

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Fax: +39 02 660 11 616
www.manutan.it
Email: info@manutan.it
VAT No.: IT 02 097 170 969
Managing Director: Raffaele Mauro

Manutan Unipessoal Lda

Avenida Do Forte 3
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2794-042 CARNAXIDE (Portugal)
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Email: info@manutan.pt
VAT No.: PT 504 779 079
Managing Director: Bertrand Soucadauch

Manutan SI

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Fax: +34 93 477 34 94
www.manutan.es
Email: info@manutan.es
VAT No.: ES B63632913
Manager: Hervé Guichard

Fabritec – Overtoom GmbH

c/o CMS von Erlach Henrici AG
Dreikönigstrasse 7¨
Postfach 2991
8022 Zürich (Switzerland)
www.fabritec.ch
Email: info@fabritec.ch
VAT CHE-107.426.872
VAT No.: CH 246 093
Co-Managers: Pierre-Olivier Brial/John F. Eardley

Overtoom International Deutschland GmbH

Ecos office center Freiburg
BCF GmbH
Basler Strasse 115
79115 Freiburg (Germany)
www.overtoom.de
Email: info@overtoom.de
VAT No.: 146 018 450
Co-Managers: Pierre-Olivier Brial/Raffaele Mauro

VSF PLANSERVICE B.V.

Tolhuislaan 47 -85
3734 GK Den Dolder (Netherlands)
Corporate Officers: Pierre-Olivier Brial/
Gyslaine Duymelings

Manovert B.V.

Elandlaan 2
3734 CP Den Dolder (Netherlands)
Tel.: +31 (0)30 229 62 11
Fax: +31 (0) 30 229 41 73
Directors: Jean-Pierre Guichard/Brigitte Auffret

Overtoom International B.V.

Elandlaan 2
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Fax: +31 (0)30 229 41 73
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Email: info@overtoom.nl
VAT No.: NL 803 764 790B02
Corporate Officers: Pierre-Olivier Brial/ Gyslaine Duymelings

Manutan B.V. (1)

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Fax: +31 (0) 30 229 41 73
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Email: info@overtoom.nl
VAT No.: NL 803 764 790B02
Managing Director: Gyslaine Duymelings

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Industrielaan 30
1740 Ternat (Belgium)
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www.overtoom.be
Email: sales@overtoom.be
VAT No.: BE 0414 642 831
Managing Director: Cyril Littler

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72200 Ostrava - Trebovice (Czech Republic)
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www.manutan.cz
Email: manutan@manutan.cz
Employee Managing Director: Oleg Dupont

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Provozní 5493/5
72200 Ostrava - Trebovice (Czech Republic)
Tel.: +42 (0) 595 697 111
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Managing Director: Xavier Guichard

Manutan Polska Sp z.o.o.

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Fax: +48 (0)22 874 32 66
www.manutan.pl
Email: manutan@manutan.pl
Co-Managers: Brigitte Auffret/Oleg Dupont

(1) New name of Overtoom International Nederland B.V. since January 2014.
(2) New name of Overtoom International Belgium NV since January 2014.

Manutan Slovakia s.r.o.

Galvaniho – 7/B
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*Acquisition on 10 October 2013, after the year-end.

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