

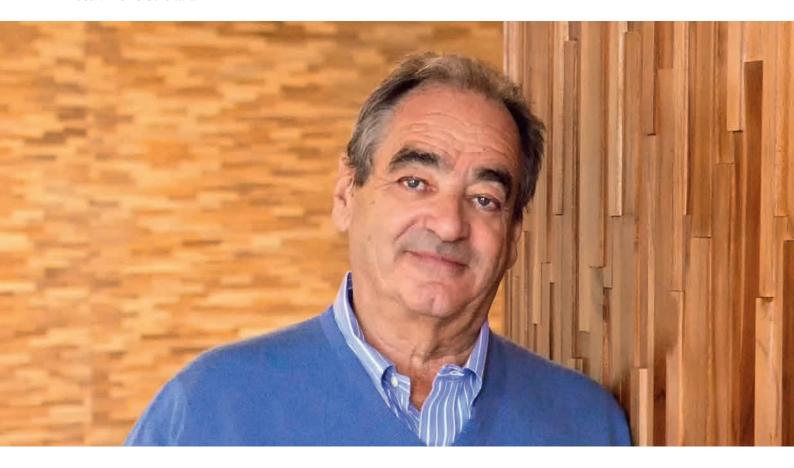


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Chairman's message

Jean-Pierre Guichard



Innovating and staying agile whilst respecting the values that define our identity.

In spite of the disruption to our activities at a European level, our family company is well equipped to challenge ourselves.

We have taken some big steps towards building an integrated company, our income was in-line with our forecasts and the talent of our employees takes care of the rest!

The multichannel choice

The world is changing, our profession requires more distribution channels to reach our customers. That is why the Group is continuing to transform itself, by always developing more means to support business. In addition to our usual channels such as paper catalogues, e-business merchant sites, e-procurement solutions, and the field and office based sales forces, we have launched a mobile application.

The international choice

This has always been our way. Today we have undoubtedly the largest range on the market, which is harmonised across eight countries. This represents a definite advantage for our European customers, a single point of entry for our suppliers and of course a lever to support our trade margin.

We also need to underline the successful deployment of our new information system in six countries, with the launch scheduled for France in the next financial year. This provides us with a new common IT platform that will ease management and sharing information.

The choice of a strong corporate culture

More than ever, in times of difficulty, the family company that we are (in its third generation) takes the transmission and the development of the values we have shared since the beginning to heart. We want to give everybody the chance to develop and advance. And so, our College has developed twenty programmes that have benefited more than 200 Group employees.

The choice of greater diversity

After the acquisition of Rapid Racking, a specialist in racking and storage solutions, in the UK in 2008 and then that of IronmongeryDirect, a distributor or ironmongery products, in 2013, we extended our expertise to environmental protection products by acquiring Ikaros Cleantech, operating in Sweden and Finland.

Ikaros was created in 1991 and rapidly imposed itself as leader in its market (retention, absorption and storage of hazardous products and waste collection). Its position depends on efficient sourcing along with a strong sales presence with customers.

The results

The 2013/2014 financial year was full of projects and events, with in particular:

- the harmonisation of products in France, the Netherlands, Belgium, Spain, Italy, Portugal, Germany and Switzerland:
- the launch of a new information system, Microsoft Dynamics AX, in Belgium, Italy, Portugal, Switzerland, Spain and Germany;
- the acquisition of Ikaros in Sweden and Finland;
- a large media campaign in Benelux to accompany the name change – Overtoom became Manutan;
- the change of the brand Camif Collectivités, which became Manutan Collectivités.

Our Group turnover compared with the previous financial year represents a dual reality. Overall, it increased by 0.8% thanks to the acquisitions. However, without the acquisitions, we recorded a decrease of 6%, mainly due to the difficult economic environment in France and Benelux. The operating profit is slightly up, supported by good management of the cost structure and the positive contribution of the acquisitions.

What will happen in 2014/2015?

The answer is particularly delicate as France has a major impact on our results. However, we are putting all our efforts into driving growth. Whilst controlling our expenditure, we are continuing to invest and are always on the lookout for opportunity, leaving us ready to acquire new expertise in our markets.

We are sure that our strategy will keep the Group moving forward!

Dear Shareholders, dear Directors, dear Employees, dear Partners, I thank you all for your contributions and look forward to another year of adventures...

Jean-Pierre Guichard, Chairman of the Board of Directors



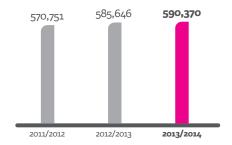
Presentation of the Group

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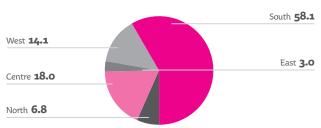
Growth and a consolidated financial situation

CONSOLIDATED TURNOVER

3-year trend (in thousands of euros)

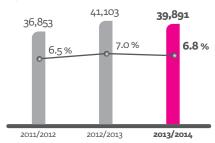




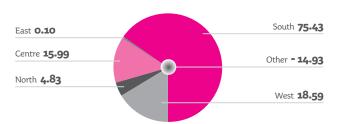


CURRENT OPERATING PROFIT

3-year trend (in thousands of euros)

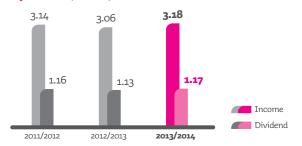


Breakdown by area for 2013/2014 (%)



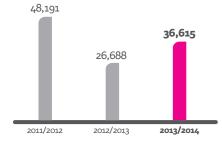
NET INCOME PER SHARE AND DIVIDEND PER SHARE

3-year trend (in euros)



NET CASH POSITION

3-year trend (in thousands of euros)



The available cash is comprised of the balance sheet aggregates "cash and cash equivalents" and "marketable securities and current assets".

The net available cash is calculated from the difference between available cash and financial debts.

AVERAGE HEADCOUNT

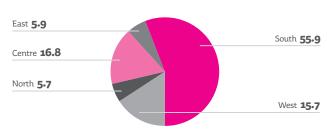
3-year trend

1,640 1,715 **1,835**

2012/2013

2013/2014

Breakdown by area for 2013/2014 (%)



History



The first French company in the catalogue

selling of industrial equipment

January 2013

Launch of the new Manutan logo First roll out the Manutan brand at the European level

July 2013

Acquisition of IronmongeryDirect in the UK, a specialist in the distribution of ironmongery products to artisans

October 2013

Acquisition of Ikaros Cleantech, a specialist in environmental protection products, in Sweden and Finland

Beginning of the overhaul of the Group's IT system, successfully introduced in Belgium, Italy, Portugal, Switzerland, Germany and Spain

2010 - 2013

2012

Acquisition of Sports et Loisirs (Casal Sport), specialist in sales of sporting equipment for schools, town halls and federations

2011

Opening of the **European Centre** in Gonesse (France), which symbolises the Group's unity, its ambitions and its business, human, and environmental vision

2010

Implementation of an integrated organisational structure, strengthening of high ambitions for business

Presentation of operations

Manutan is one of the leading European companies in multichannel distribution of equipment for companies and local authorities. Present in 19 countries through 25 operational subsidiaries, the Group is a major player in Europe.

Our positioning: combining an industrial approach with personalised customer relations

An independent and solid Group

As a pioneer in distance selling, Manutan has a true expertise in the distribution sector and is continuing to grow in a market with a high potential estimated at €150 billion (source Manutan International).

The Group's development is based on nearly fifty years of experience and a lasting economic model that is deployed in all the subsidiaries. The Guichard family, which has been at the head of the Manutan since 1966, intends to maintain the Group's independence through rigorous and transparent management combined with operational excellence. This family structure, combined with listing on the stock market since 1985 (Euronext Paris – Compartment B), grants the Group its independence and financial solidity.

1,835 employees working closely with our customers

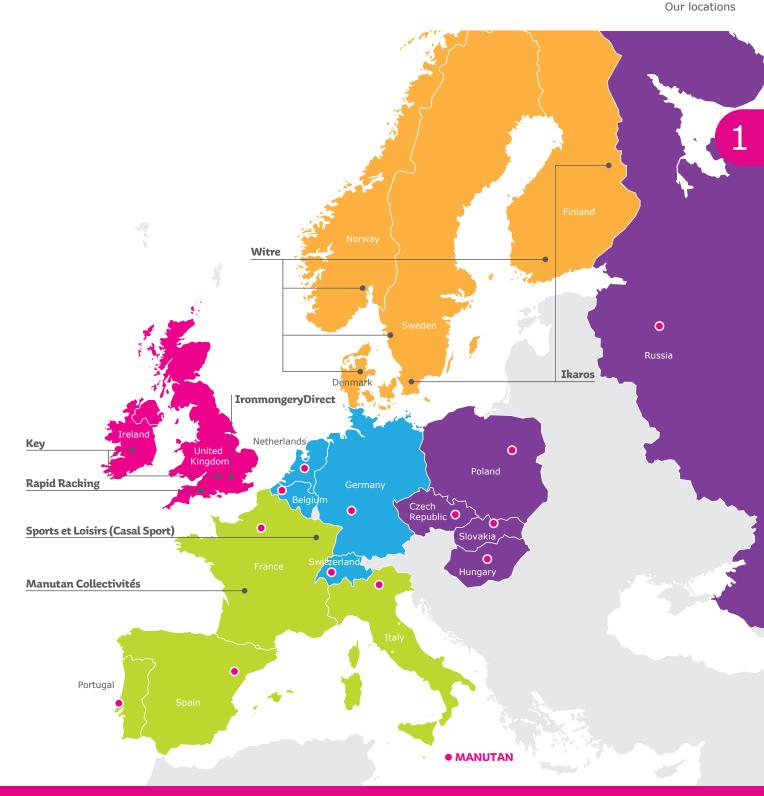
Every day, the Group's 1,835 employees share the same ambition and commitment: providing our customers with added value, by offering the best solution for their non-strategic, repeat purchasing. Responsibility and sincerity are the values that unite everybody who works for the Group.

The strength of a European industrialist, the bespoke service of a local tradesman

What makes Manutan unique and gives us our strength is combining an industrial approach with personalised customer relations, based on mutual respect and transparency. Customers benefit from efficient and competitive solutions and the quality of bespoke assistance you would expect from an artisan.

1,835 EMPLOYEES
OF WHICH 47% ARE WOMEN

200,000 ITEMS



25 OPERATING SUBSIDIARIES

19 COUNTRIES
590.4 MILLION
IN TURNOVER

Our profession: assisting our customers in optimising their non-strategic purchases

A recognised expertise in multichannel distribution

The Group markets its products through paper catalogues, online and through sales teams and agencies. Our mastery of these different distribution channels, combined with targeted marketing, allows Manutan to offer its customers global solutions that are simple and accessible.

With 25 e-business merchant sites, Manutan has fully integrated electronic sales into its development. In 2014, online sales are expected to represent 30% of the Group's turnover (excluding local authorities) and the internet has established itself as a major growth area.

A benchmark partner for non-strategic purchases

Manutan has the stated ambition of providing high quality products and services to its customers in a simple, quick and efficient manner. Helping them to reduce the time spent on non-strategic purchases (supplies, equipment, etc.).

The appropriateness of the solutions offered by Manutan helps our customers to centralise their recurring purchases with a single supplier and to be able to concentrate on their core business.

The Manutan Group's expertise is based on recognised know-how:

- the rigorous selection of high quality, competitive products;
- a dynamic and unlimited range of items allowing every customer to find the solution to their needs;
- simple, quick and efficient order management (24 hours a day online);
- a dynamic sales service, ready to listen to the needs of every type of customer;
- personalised advice and purchasing assistance;
- a large storage capacity that ensures product availability;
- rigorous logistics that offer quick and reliable delivery.

A dynamic and unlimited offer

The Manutan Group has one of the largest product offerings in Europe and aims to cover all the needs of companies and local authorities, regardless of their size or sector. The range already has more than 200,000 items including handling, lifting, and storage equipment, industrial supplies, safety, hygiene and packing supplies, office, school and workshop furniture, furniture for catering and hotels, education, health and sports equipment, ironmongery and products for environmental protection. Our readiness to listen to our customers allows the Group to regularly add to its range.

All the listed products and services, including our own brands (Ekwo and R-source), are subject to rigorous selection, based on a regular review of 1,700 suppliers, the majority of which are in Europe. The Group does not rely on any one supplier, this allows us to choose products independently, according to our own quality standards.

Bespoke services

In order to provide its customers with extensive, competitive and personalised solutions, Manutan offers a large range of associated services: assembly, spare parts, bespoke design, express delivery, a loyalty programme, and e-business solutions for Key Accounts (hosted catalogue, punch out, etc.).

Efficient and profitable logistics

The Group has a storage capacity of nearly 160,000 m² divided over thirteen logistics hubs with the best inventory management solutions. Efficient logistics management and controlling subcontracted transport allows Manutan to manage the thousands of orders received every day and to ensure fast delivery to customers across Europe.

Our three commitments to customers for the period 2015/2016

We shall continue to respect our delivery **promise**.

We shall always find a **solution** to our customer's requests for products.

We make every contact with the customer a **unique** moment.

Our customers: 1,000,000 companies and local authorities put their faith in us

From small companies to multinationals, from regions to town halls, the Group markets its offer to over 1 million customers. The average value of their orders is €420.

- For companies, Manutan offers a general range, complemented by specialist offers:
 - in the UK: Rapid Racking (racking and storage solutions) and IronmongeryDirect (ironmongery items);
- in Scandinavia: Ikaros Cleantech (environmental protection products).
- ▶ For local authorities, Manutan Collectivités offers a range of school furniture, health and education and Sports and Leisure equipment (Casal Sport), sports equipment and clothing.

Our markets: a strong presence in Europe

Manutan operates in 19 European countries and in Africa, Asia and the Middle East through the export activities of its subsidiaries. Our European development is based on a desire to have a strong local presence and an in-depth knowledge of our markets. The countries are responsible for their sales policy and adapt their product offering to suit local particularities. Their expertise also makes use of the Group's support functions and structural organisation that encourages the sharing of experience from in the field.

Our competitors: a range of players

Manutan must stand up to competition from many sources, be they B2B distance sellers, retail and or wholesale outlets:

- **General players:** TAKKT (a German company-listed on the Frankfurt stock exchange), Schäfer Shop (Germany) and AJ Produkter (Sweden).
- Specialist players: Office furniture and equipment: Staples, Bruneau (France), Viking (USA), Neat Ideas (UK), Printus (Germany). Health, maintenance and safety products and equipment: Bernard (France).
- Packaging supplies and equipments: Raja (France). Signs: Seton (United Kingdom). Range dedicated to local authorities: UGAP public purchasing (France).
- ▶ Traditional industrial distribution: Descours & Cabaud, Rexel, Retif in France.
- ▶ The large variety of competitor offerings for business supplies available over the Internet *via* e-marketplaces, exchange markets, brokers and traditional competitors' e-business merchant sites.

Group strategy

Driven by its innovative vision for distribution, the Group is reaffirming its conviction and its priorities for the years to come. The development of the market and feedback on the expectations of companies and local authorities confirm the appropriateness of our multichannel strategy.

A renewed ambition

Manutan's ambition is to deliver its customers competitive and reliable products, through accessible, fast and global solutions that allow them to focus on their core business.

strategic priorities

Emphasising the multichannel strategy and developing local relationships with our customers

The multichannel strategy deployed by the Group depends on three objectives:

- capitalising on the multichannel distribution offered by the Group: paper catalogues, online, sales agencies and
- developing e-commerce, which is a major growth lever
 - offering an ever greater range of products online,
 - finding thousands of new customers at minimal cost,
 - personalising customer relations, through electronic order management,
 - offering innovative solutions through new media, such as mobile applications;
- building on our close relationship and the trust of our customers, by making each sales contact a unique moment. This will allow the Group to complete its front office services to offer more advice and assistance as a true partner.

Strengthening the "One-stop shop"

The Group is strengthening its "One-stop shop" strategy to offer its customers a simple, fast and efficient solution that allows them to:

- access a large range of preselected, appropriate and competitive products;
- reduce their order times;
- facilitate the order process by adapting it to their organisation;
- reduce the overall cost of purchase.

The Group is adapting and changing its organisation to continue its dynamic growth, particularly in the areas of high potential. Driving and managing key business lines such as purchasing policy or web marketing - is a priority, in order to encourage cross-functional initiatives, facilitate discussions and create real synergies.

3 Harmonising the range of solutions and rationalising purchases

Sales teams pay attention to the changes in their customers' needs and are close to their markets. This allows them to focus their efforts on referencing new products and launching innovative services. They are careful to always offer suitable products that are well positioned in terms of quality and cost. To allow our customers to have access to high quality products at competitive prices, Manutan is also committed to bulk purchasing and rationalisation: in 2014 the Group offered roughly 35,000 common references negotiated with over 450 Group suppliers. This product offering represents 80% of Group purchasing for the Companies division and allows us to adapt to local markets. The product offering is in this way 85% harmonised for the South and Centre zones.

4 Industrialising our growth model at the European level

Manutan's European development depends on the implementation of central functions (communication, finance, IT, etc.), the deployment of Group wide operational tools and the sharing of best practices. A large scale restructuring project has begun to optimise and standardise the procedures within business lines, ensure efficient management of operations and encourage communication between different countries through the implementation of an information system (ERP). This industrialisation of processes allows us to aim for operational excellence, by optimising supplies, commercial efficiency, financial management and customer relations.

5 Making the Manutan brand a benchmark in Europe

Alongside its development strategy, the Group is committed to a far reaching brand management project in Europe, which will be deployed over several years. The makeover of the graphic identity in 2013 was a first step, with a more modern, up to date logo that communicates values such as responsibility, diversity and the desire to advance as a team. Manutan is set on becoming a European benchmark brand. However, subsidiaries that deal with specialists will retain their own brand.

Financial communications calendar

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

Publication dates for the figures for the financial year 2014/2015⁽¹⁾

Q1 turnover	15 January 2015
Q2 turnover	16 April 2015
Half-yearly results	27 May 2015
Q3 turnover	16 July 2015
Q4 turnover	15 October 2015
Annual results	16 December 2015

The financial communications calendar and all the financial information are available to Investors and Shareholders on the Company website at: www.manutan.com

The Group's Legal department can answer any questions regarding the Manutan Group. Tel.: +33 (0)1 34 53 35 87/ contact.legal@manutan.com

⁽¹⁾ Dates subject to modification/publication after the closing of the markets.



Social, societal and environmental responsibility

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As a major player in multichannel distribution, Manutan intends to act responsibly with regard to all its stakeholders. The Group is committed to a social, societal and environmental approach that is illustrated every day by real actions. Maintaining the balance between man and the environment is at the heart of our priorities in our professional activities and in all

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

of our operations.

The data gathered covers the period from 1 October in the previous year to 30 September in the current year. The data is reported annually.

Scope

The consolidation method for the CSR reporting 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.

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 presented apply, with the exception of the particularities indicated below, to the Group's seven major subsidiaries located in:

France:

- ESU Manutan, including: Manutan SA, Manutan International SA, Manutan Inter-Company Restaurant Association (R.I.E.),
- Manutan Collectivités SAS,
- Sports et Loisirs SAS;

the UK:

- Key Industrial Equipment Ltd,
- Rapid Racking Ltd;

Belgium:

- Manutan NV;
- the Netherlands:
 - Manutan BV.

Overall, these seven subsidiaries represent 81% of Group operations and therefore give a representative overview of the data, apart from the "average workforce" and "remuneration" that cover all of the Group's operations.

The entities not included in the scope of CSR reporting are small entities that do not have sufficient resources to allow for CSR data to be collected in the following areas: North (Denmark, Sweden, Norway, Finland), Centre (Germany, Switzerland), East (Russia, Czech Republic, Slovakia, Hungary, Poland) and South (Portugal, Italy, Spain).

It should be noted that the training hours for the subsidiary Manutan BV (Netherlands), which represents 17% of the Group's workforce, have not been included in the figures presented in the report due to difficulties that could not be overcome in due time. This point shall be subject to an amendment in the next report.

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: the HFM consolidation software, extracts from the payroll management system, Excel monitoring files, and invoices etc. Meanwhile, the qualitative information is collected by the Manutan Group's Top Management 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 accuracy 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 → this use is restricted to the areas in which our buildings are located:
- adaptation to the consequences of climate change → due to the Group's locations in Europe, the potential
- risks associated with the consequences of climate change that may have an impact on the facilities would appear to be limited;
- the protection of biodiversity → due to the very limited footprint of the Group's facilities, the impact of operations on biodiversity would appear to be insignificant.

Methodological limitations and particularities

- ▶ The workforce is calculated on the one hand as the average full-time equivalent salaries over the financial
- The average workforce is calculated as the mathematical average of the full-time equivalent monthly workforce over 12 months.
- On the other hand, the statistics for the workforce are based on the number of employees present on 30 September.
- The absenteeism data is calculated in calendar days.
- ▶ The working hours used in the calculations of rates for frequency and seriousness are calculated as follows: mathematical average of the average weekly hours worked x average workforce x 52.

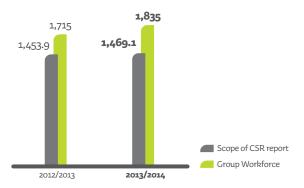
- ▶ With regard to CO₂ emissions associated with the consumption of electricity and natural gas, the following emission factors are used:
 - Natural gas:
 - 0.235 kg CO₂e/kWh LHV (Source: European emission factor, ADEME 2014 carbon base)
 - Electricity:
 - France: 0.071 kg CO₂e/kWh,
 - Belgium: 0.211 kg CO₂e/kWh,
 - the Netherlands: 0.413 kg CO₂e/kWh,
 - the UK: 0.450 kg CO₂e/kWh. (Source: 2009/2011 averages, International Energy Agency 2013 Statistics).

Our social commitments

Employment

Average and non-permanent workforce

The Group's average workforce has increased by 7%, and by 1% in the CSR scope.



Group Workforce: information intended to give an overall view and to facilitate a comparison with the financial data.

- Workforce: includes all employees under contract, as an average throughout the financial period.
- Non-permanent workforce: includes temporary staff and/or seconded staff.

Facilitating internal mobility - The internal mobility policy illustrates the Group's desire to offer new opportunities to all of its employees to enable them to achieve their professional goals. This policy is aimed at promoting mobility not only within each of its subsidiaries but also among Group subsidiaries. This mobility is also increasingly cross-functional: in keeping with this policy, Manutan France has set up "Try My Job", an initiative that gives employees the opportunity try out a new job for a given period.

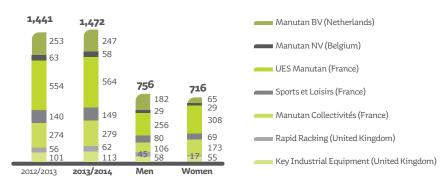
Workforce present on 30 September 2014 in figures

Workforce present on	30/09/2014
Executives	444
Employees	1,028
TOTAL	1,472

+2.2%

The workforce continues to grow

In the CSR scope, the workforce is continuing to grow (+2.2%) and the gender balance is overall respected within each of the subsidiaries:



Age pyramid - Though the age pyramid may not give cause for concern, it nevertheless demonstrates that the Group needs to pay attention to managing careers and recruitment, in order to allow for the transfer of knowledge.



Employee movements

It should be noted that the Manutan Group has carried out no redundancies.



Recruitments includes all the new hires during the financial year.

Departures includes all departures for whatever reason.

Encouraging the integration of employees - Every new Group employee follows an appropriate induction course, which enables them to discover and experience the corporate project (the course lasts around one month for the main managers). In addition to introducing the Company and the activities, new staff members also play an active role in their own integration: this allows them to take the time to understand the Company's project before starting on a new assignment.

Remuneration and changes

Remuneration has increased by 2.9% at a Group level.

2012/2013	2013/2014
94,211,076	96,947,971

The remuneration policy – The Group's remuneration policy is centred around the following factors:

Fixed remuneration: Fixed remuneration is related to the level of responsibility and depends on the principles of internal consistency within the Group.

Variable remuneration: Variable remuneration aims to encourage individual and collective performance for part of the teams, in particular managers and experts.

For the "Group" functions, the variable part of remuneration is indexed on the change in turnover and the pre-tax operating income for the Group.

For the "Markets" functions, the variable part of remuneration also takes into account, up to 50%, changes in turnover and the pre-tax operating income for the Market concerned.

The performance objectives regarding the Group's results are set by the Board of Directors.

In the case of the other individuals concerned by variable remuneration, primarily the sales teams, the individual targets are defined with their line manager once a year.

Collective remuneration: Collective remuneration is intended to encourage collective performance to the benefit of the Company.

In France, at Manutan's European Centre and on the corporate markets, the collective remuneration fund accounted for 7% of the Group's net income for the financial year 2013/2014. One third of the amount is distributed equally and two thirds proportionally to the employees across the whole of the workforce (nearly 600 people). This collective bargaining agreement applies to all staff categories, and complies with current legal provisions, including in terms of the calculation of social security and tax contributions.

Work organisation

Working time organisation

The organisation of working time which is determined in strict compliance with the legal framework for each entity is 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 (Manutan Collectivités in France) and 40 hours (Key and Rapid Racking in the United Kingdom).

Due to the strong business seasonality of the French local authority market, Sports et Loisirs and Manutan 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 with the employee representatives.

3.4%

The number of employees on fixed term contracts remains low

Overall, within the scope of this report, part time employees account for 14.1% of the workforce, most of which are based in France or the Netherlands. The number of employees on fixed term contracts remains low (3.4%).

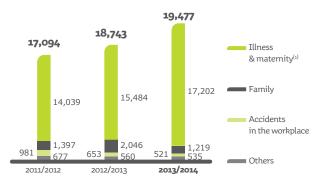
Work-study sandwich contracts	23
Part time employees	185
% of permanent contracts	96.6%

Absenteeism

Absenteeism, which is a business management indicator, is monitored at all the Group entities. It corresponds to the number of calendar days of absence of the workforce during the financial period.

There is a slight trend towards an improvement

The trend is slightly better following the implementation of actions aimed at improving working conditions: collective training, sports challenges, organising forums for discussions, etc.



(1) Maternity leave, which is at a high level, is recorded together with sick leave.

Social relationships

Organisation of employee relations

The Top Management for each entity is responsible for working with the Company in its efforts to progressively develop its social commitment, whilst sustainably developing its economic activity.

The determination of social policies is based on regular dialogue with social partners in each entity.

In France, Manutan maintains an ongoing dialogue with the trade union organisations, and holds discussions with a total of 80 elected representatives within the representative bodies for the subsidiaries covered by the scope of the CSR:

- Works Council (Comité d'Entreprise CE);
- Staff representatives (Délégués du Personnel DP);
- ▶ Health, Safety and Working Conditions Committees (Comité d'Hygiène, de Sécurité et Conditions de travail - CHSCT).

In the Benelux countries, a Human Resources Manager manages the policy defined by Executive Management, and maintains an ongoing dialogue with the workforce.

Our social commitments

Review of collective agreements

The collective agreements are summarised in the table below:

Subject	Scope	Signature	Comment
Mandatory Annual Negotiations	ESU Manutan	December 2014	
	Manutan Collectivités	September 2014	
Agreement on the reduction in working hours	Manutan International	August 2000	ESU Manutan agreement
	Manutan SA	December 2000	under negotiation
Working time adjustments	Manutan Collectivités	April 2011	
	Sports et Loisirs	January 2000	
Voluntary part-time work	ESU Manutan	December 2011	
Working Time Savings Account	ESU Manutan	December 2011	
Professional equality between men and women	ESU Manutan	December 2011	
	Manutan Collectivités	January 2012	
	Sports et Loisirs	Existing	
Seriously ill children	Manutan Collectivités	January 2012	
Inter-generational agreement	ESU Manutan	November 2013	
Job and skills planning (GPEC) Agreement	ESU Manutan	March 2012	
IT department shifts	ESU Manutan	August 2012	
Company Savings Plan	ESU Manutan	September 2012	
Company Savings Plan	Manutan Collectivités	February 2010	
Collective Retirement Savings Plan	ESU Manutan	September 2012	
Non-mandatory employee profit-sharing	ESU Manutan	December 2013	7% of the Group's net income
Profit sharing	Manutan Collectivités	February 2010	Legal calculation

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, Safety and Environmental Unit (HSE) 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, such as:

Measuring and analysing the hardship of work -

Studies were carried out in 2011 with an ergonomics expert from the French Inter-Professional Department for Musculo-Skeletal disorders, and in acoustics in 2012, with a health and safety engineer from the Inter-Professional Health Department, which primarily focused on the logistics activities. The results of these studies revealed no deviations from standards in force.

As part of a continuing improvement approach, studies for the comfort of users are also regularly carried out by the HSE division, the Heath, Safety and Working Conditions Committee and, according to needs, with the Inter-Professional Health Department for the Val-d'Oise region. In 2013, a study of the hardship of work assured

that the organisation of logistics workstations (protective equipment, flexibility, etc.) make it possible to avoid any harsh working conditions.

At the same time, purchasers and HSE take the needs of employees in the warehouses into account to offer new protective equipment to suit their needs.

Improving ergonomics and comfort in workstations -

In France, the opening of the Group's new European Centre in Gonesse in 2011 provided an opportunity to review and make further improvements to workstation ergonomics as well as health and safety practices for nearly 600 employees in the Group. This facility, which was designed according to an HEQ (High Environmental Quality) approach, puts quality and well-being 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. The building has great insulation thanks to triple-glazed façade and built-in window blinds

Raising safety awareness with employees - In addition to the regulatory training (Workplace First Aid Officers - 1st responders - Electrical qualification, etc.), Manutan regularly raises awareness amongst employees regarding safety through evacuation training presented by the HSE manager.

Encouraging participation in sport - The 1,000 m² Sports centre is an essential part of the Group's European centre. It offers employees the chance to regularly take part in physical activities with specialist coaches.

Also in the area of prevention, Manutan has signed a partnership with the French Higher School of Osteopathy (ESO) that offers a free check-up to all of the employees in France.

All of these actions are aimed at reducing the number of accidents in the workplace.

Review of collective agreements on health and safety

Preventing harassment in the workplace - In order to ensure the physical safety and protect the psychological well-being of employees during their work, a new Anti-Harassment Charter was signed at the European centre in April 2014 and a specific commission was formed. After interviewing the parties involved, a "Workplace Harassment Mediation Committee" seeks to find amicable solutions to disputes that may have an impact on the working environment, without issuing an opinion on the legal classification of the events reported to it.

Accidents in the workplace

This refers to the number of workplace accidents resulting in at least one day off work.

	2013/2014	2012/2013	2011/2012
Number of workplace accidents with > 1 day off work	30	34	38
Frequency rate	13.40	13.49	7.01
Seriousness rate	0.10	0.15	0.13

In addition to a proactive policy intended to ensure safety in the Company, particularly in the warehouses, the Group compares its data with the Accidents at Work and Occupational Diseases statistics from the French Social Security Service, published by the INRS:

Workplace accidents	2012	2013
Frequency rate	23.5	22.7
Seriousness rate	1.4	1.4

Training

Training policies

Manutan College - In order to meet with its ambitions, the Group created its own College and spends a considerable amount on training.

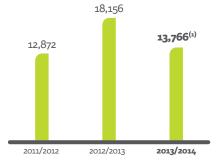
The College is located at the European centre in France and covers a surface area of more than 1,000 m² over three levels. The establishment is at the heart of the Company's development by offering the conditions for employees who wish to:

- understand and share the Company's strategy and commitments;
- enrich their skills in their business line;
- develop team spirit.

Manutan College is open to all the Group's employees. It offers tailor made programmes and a range of training sessions that encourage and strengthen the bonds between employees. The College particularly depends upon a Cultural centre and a Sports centre, which allows any employee to regularly enjoy a physical activity according to their skill level and progress objectives.

The number of training hours

The cost of training was equivalent to 1.3% of the payroll for the financial year 2013/2014.



(1) Excluding Manutan BV.

Equal treatment

Anti-discrimination policy

Given the diversity of its businesses, the background of the people hired, and the number of its employees, the Manutan Group is committed to 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".

Measures taken to promote 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 with our social partners, and action plans have been implemented. The priority areas primarily involve training, promotion, and the balance between professional life and family responsibilities, and include:

- the provision of 20 cribs for employees at the European Centre since 2011, as part of an inter-Company, organically labelled, crèche located less than 800 metres from Manutan's European Centre;
- ▶ the creation of advance unblocking of the Work Time Savings Account in the event of a family occurrence requiring absence;
- individual meetings after extended absences in order to aid the employee with the return to work (induction courses and training sessions according to needs);
- an objective of progressive increase in diversity in management positions.

Measures taken to promote employment and integration of the disabled

Initiatives to help young people and seniors

The subsidiaries covered by the scope of this report employ 220 young people aged less than 30 and included 23 employees on work/study sandwich programmes on 30 September 2014.

Seniors aged over 50 accounted for 303 employees on 30 September 2014.

In 2013, an agreement regarding maintaining employment for those over the age of 55 (5% of the population) was renegotiated at the European Centre. Priority areas mainly involve improving working conditions, the prevention of hardships and organising the transfer of strategic expertise.

The Group also carries out **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" in departments 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.

Employing disabled people

In the scope covered by this report, 33 employees are disabled, which accounts for 2.4% of the workforce.

When dealing with disability, ignorance and the fear of doing the wrong thing create barriers. In order to reflect on the attitudes to adopt and the behaviour to encourage, some of the Group's subsidiaries have called upon reference bodies to develop or raise awareness regarding their commitment:

- In France, after a partnership with the AGEFIPH (French fund management organisation for the profesional integration of the disabled), Manutan manages its Disability Policy on a stand-alone basis. Since 2011, Manutan has also been supporting the Bretagne Ateliers association, by subscribing to shares in the association to favour this community that offers people on the fringes of society or with a disability the opportunity to find dignity through professional work. The French subsidiaries also entrust some of their business activities to ESATs (French Institutions and Services for Work-Based Assistance) on a priority basis.
- In the Netherlands, Manutan has set up partnerships with three specialised schools that support young people with learning difficulties. Our local entity hosts students, in order to enable them to familiarise themselves with the world of work.
- ▶ In United Kingdom, Rapid Racking has been recognised as "Positive About Disabled People" since 1999.

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's (ILO) Declaration on principles and fundamental rights in the workplace. Manutan 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, health and safety.

2

Our societal commitments in favour of sustainable development

Regional economic and employment impact

From a regional employment and development standpoint

The very location of Manutan's European centre in the Parisian suburbs at Gonesse for nearly fourty years, is the symbol of **the Group's intention to favour local development.** Located at the heart of an area that is confronted with some difficulties regarding employment⁽¹⁾, the Company hopes that it can help people with for example a low level of qualifications to join the professional world. More than 8% of the European Centre's employees live in the neighbouring areas.

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. As a result, the impact on neighbouring and local residents is very limited.

Relationship with stakeholders

Maintaining lasting and transparent relations 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 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.

EXAMPLES OF STAKEHOLDERS

Stakeholders	Main forms of dialogue
Employees	 internal communications actions (intranet) many display screens spread throughout the European Centre (France) regular meetings between the Executive Management and all the employees, with plenary meetings
Social partners	 regular discussions with staff representative bodies the signature of collective bargaining agreements negotiated with the Union representatives
Shareholders, investors	 two financial community meetings held at the publication of the Group's annual and interim results the publication of quarterly communiqués in the economic and financial press, made available on www.manutan.com annual report available on www.manutan.com, in French and English, to present the development of the Group and communicate the financial and stock market information
Customers	 E-business merchant sites communication on the social networks customer satisfaction surveys regular publications to promote the Group
Public authorities and local authorities	Member of the Val-d'Oise Corporate Movement Organisation
Partners	 A member of the French Distance Selling Companies Federation (Fédération des Entreprises de Vente à Distance – FEVAD)

⁽¹⁾ Unemployment level: 14.81% (national average: 10.49%).

Sub-contracting 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 related 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, **an audit** is performed on the portion of the products directly purchased from Asia (less than 5% of total purchases), including regular inspections of the manufacturing plants by the director of purchasing.

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

Subcontracting is the transaction through which an entrepreneur assigns to another person, known as the subcontractor, all or part of the performance of a private or public contract with a contract owner.

In this area, the Manutan Group does not use subcontracting. For some activities, such as transport, the Group calls upon external providers but these services are not part of a subcontracting agreement.

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 anticorruption action plans.

Measures taken to promote consumers' health and safety

The quality and safety of all our products, including our own brands (Ekwo and R-source) are absolute priorities 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.

Other

Measures taken to promote human rights

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

Our environmental commitments

General policy

The Manutan Group has identified three environmental priorities:

- reducing greenhouse gas emissions;
- improving energy-efficiency;
- reducing and recycling waste.

The organisation of the Company to take environmental issues into account, environmental assessment or certification procedures and the means given over to preventing environmental risks and pollution

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.

The Manutan European Centre, the emblem of a commitment to the environment – 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 hectares, 41,000 m² of warehouses, 9,500 m² of offices, a College, a Company canteen, a sports complex and a concierge service: all HQE (High Environmental Quality) certified. Manutan's European Centre is one of the first sites in France to receive a double HEQ certification (construction and non operation) for the high environmental quality of its ancillary and logistics areas.

This High Environmental Quality design is equipped with a system that allows the Company to optimise the power resources in several levels:

- the recovery of rainwater for sanitary and gardening purposes;
- infra-red taps and economic flushes;
- the use of economic lighting;
- green roofs for thermal and acoustic comfort;
- the thermal and acoustic over insulation of areas;
- triple glazing, which ensures perfect insulation;
- Night-Cooling technology that makes it possible to evacuate the heat accumulated in the building and introduce fresh air from outside;
- Centralised Technical Management (CTM), for all of the buildings (temperature, lighting, air renewal, monitoring, etc.);
- geothermal heating and cooling of indoor air⁽¹⁾ distributed by a network of heating panels;
- a car park for electronic vehicles with charging terminals.

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.

Certifications	ISO 14001 version 2000	HEQ	ISO 9001 version 2000
European Centre (France)		Х	
Manutan SA (France)			X
Manutan Collectivités SAS. (France)	Х		Х
Manutan BV (the Netherlands)			Х
Rapid Racking Ltd (United Kingdom)	Х		Х
Key Industrial Equipment Ltd (United Kingdom)	Χ		Х

⁽¹⁾ Geothermal: this technology gets its heat by pumping from the water table 57 metres below ground. The water is at a temperature of 13°C which goes through heat exchangers to carry out an energy transfer with a heat pump. The water is then released via a second drill hole.

Initiatives implemented in order to train and inform employees about protecting the environment

Offering and promoting environmentally responsible products

Selecting quality products has always been the focus of the Group's concerns.

The "Lili" children's furniture range - In France an eco-friendly furniture range for the very young was launched in 2012 via the "Lili" range, 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 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 Crèches and Environment Standards, etc.). This range thereby contributes to the air quality in the centres hosting the youngest children.

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.

Manutan, taking part in the French sustainable development week - In France, Manutan Collectivités and Manutan SA take part in Sustainable Development Week (a national week-long event initiated by the French Ministry of the Environment and Sustainable Development). The two entities organise entertaining, friendly and educational events on their premises, in order to explain eco-friendly behaviour and the Company's environmental approach, and to create an internal drive towards environmental protection.

Training employees in environmentally friendly driving - Several of the Group's companies (Witre in Scandinavia, Manutan Collectivités, Sports et Loisirs, and Manutan SA in France) are carrying out actions to raise employees' awareness about environmentally friendly driving. In Scandinavia and the French subsidiaries, Company policy is to offer low pollution and/or hybrid models to employees who have a Company car.

Encouraging waste sorting and recycling - In France, the concierge service at the European Centre makes areas for sorting and recycling batteries and light bulbs available to all employees, working together with environmental bodies accredited by the French Government, which are responsible for recycling them. Major efforts are also aimed at encouraging sorting paper, bottles, corks, etc. Lastly, low consumption bulbs are used in the interior areas and external lighting is reduced according to the identified needs.

Amount of provisions and guarantees for environmental risks

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

In France, at the European Centre in Gonesse, the vegetation on the verges at the side of the roads receiving lorries was chosen specifically for its capacity to absorb hydrocarbons in order to avoid any infiltration into the ground. Accordingly, two "planted" ditches run throughout the length of the site to make the process more effective.

Otherwise, in France, Company cars are selected according to their emission of CO, which must be less than 125 g. A hybrid car is systematically offered in every category of vehicles.

Measures for recycling, preventing and disposing of waste

Encouraging selective collections and recycling -

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 local regulations. In the Netherlands, for instance, 50% of the packaging received from suppliers is re-used in-house.

Encouraging responsible consumption – The Group's European Centre has implemented a generalised distribution of mugs and cloth towels, highlighting for employees the consumption of plastic glasses and paper towels and considerably reducing their use. Furthermore, the default setting for all the installed multi-function printers in France is double-side black and white printing.

Developing electronic invoicing - Upstream action has also been taken to avoid or reduce waste generation. The Group is in this way developing electronic invoicing to an ever greater extent. Dutch and French customers 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 by email, a rate which reaches 80% for Rapid Racking.

Optimising the production and printing of Manutan catalogues:

- the use of certified paper: the design of the catalogues, the best part of which is centralised in France, favours the use of paper from certified sources (PEFC or FSC). Indeed, PEFC (Programme for Endorsement of Forest Certification) or FSC (Forest Stewardship Council) certifications cover the whole forestry chain. When one of these labels appears on a product, it guarantees that it is produced using wood from sustainably managed sources, based on three principles: ecologically suitable, socially beneficial and economically viable;
- a paper producer committed to an environmental **approach:** in order to preserve natural resources, the Group's main paper supplier has implemented the following actions:
 - 90% of the water consumed is filtered and returned to the environment,
 - less chlorine, and fewer CO₂ emissions,
 - energy-saving programmes, including the use of bio-fuels,

- transport by rail or river;
- **a responsible approach.** For its part, the Manutan Group is 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 (35 g), 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 page layouts),
 - sending a catalogue that has not been distributed to another customer.

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

Noise nuisance generated by the Group's activity is limited through the implementation of a number of initiatives: the warehouses are open between 7.00 a.m. and 7.00 p.m., 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 energy

Water consumption and supply depending on local constraints

The Group's activities mostly consume water from district supply networks, primarily for sanitation purposes.

The rain water at the European Centre in France is re-used in the sanitary installations and to water the garden areas.

WATER CONSUMPTION

Water consumption	2013/2014	2012/2013	2011/2012
In m ³	13,342	11,990	12,779

The consumption of raw materials, and measures taken to improve their efficient use

As a distributor, the Group does not directly consume any raw materials, but is committed to offering and promoting environmentally friendly products.

Energy consumption, measures taken to improve the energy efficiency and 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 batteries on the forklifts used to handle products.

Overall savings

ELECTRICITY AND GAS CONSUMPTION

Electricity consumption	2013/2014	2012/2013	Gas consumption	2013/2014	2012/2013
In kWh	7,209,008	7,497,368	In kWh	4,263,086	6,319,547

An overall saving of 17% was achieved over 2013/2014, through the efforts of all the employees, in particular in adjusting air conditioning, and also due to the fairly favourable weather conditions of winter in 2014.

Climate change

Greenhouse gas emissions

Carbon report - Two major Group subsidiaries have commissioned a carbon report. The 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. Manutan has decided to carry out a new carbon report in 2015 in order to measure the effects of the actions we have already taken and to define a new action plan at a Group level.

Car sharing - The car sharing website, created in 2013, has not had the intended effects as it appears that the use of car sharing depends more on "word of mouth" without the use of any online tool. For this reason it has not been possible to measure the use of car sharing at the European Centre in Gonesse France.

CO₂ emissions related to power consumption on sites, which represents one of the greatest sources of emissions, was 2,434 t CO₂ for the financial year 2013/2014.

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

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 30 September 2014

Dear Shareholders,

In our capacity as Statutory Auditors for the company Manutan International appointed as an independent third party, accredited by COFRAC under number 3-1049⁽¹⁾, we present to you our report on the consolidated social, environmental and societal information for the financial year ended 30 September 2014, presented in the management report (hereafter the "CSR information"), pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

The Company's responsibility

The Board of Directors has a duty to prepare a management report including the CSR Information provided for by Article R. 225-105-1 of the French Commercial Code, according to the protocols used by the Company (hereafter the "Guidelines"), a summary of which is included in the management report and available upon request from the registered office of the Company.

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 an accurate manner, in accordance with the Guidelines selected (Reasoned opinion on the accuracy of the CSR Information).

Our work has been performed by a team of four people between October 2014 and December 2014 over a period of roughly three weeks. We called upon our CSR experts to help us perform this work.

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 and, regarding the reasoned opinion on the accuracy, with international standard ISAE $3000^{(2)}$.

⁽¹⁾ The scope of which is available on the website www.cofrac.fr.

⁽²⁾ ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

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

Certificate of inclusion of the CSR Information

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.

In the event that some consolidated information was absent, we checked that explanations had been provided in accordance with the provisions of sub-paragraph 3 of Article R. 225-105 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 and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, within the limits specified in the methodology Note presented in the "CSR Report Methodology Note" in the Management Report.

Based on this work and taking into account the limits described above, we hereby certify that the CSR Information required is included in the Management Report.

Reasoned opinion on the accuracy of the CSR Information

Nature and scope of the work

We held approximately five 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 essential(3):

- 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), we applied analytical procedures to the quantitative information and checked, based on surveys, the calculations and the consolidation of the data and we checked that they were coherent and consistent with the other information provided in the Management Report;
- at the level of a representative sample of entities(4) that we selected 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 55% of the workforce, and for between 62% and 65% 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.

Environmental indicators: Electricity consumption - Natural gas consumption - Water consumption.

Qualitative information: Health and safety conditions – Internal mobility and career development within the Company – Environmental certifications – Means given over to preventing environmental risks and pollution - Relationships with suppliers

(4) Manutan France, Manutan BV (the Netherlands).

⁽³⁾ Social indicators: Average workforce in FTE - Workforce on 30 September 2014 broken down by sex and age - Number of recruitments - Number of departures - Number of days of absence broken down by reason - Number of workplace accidents resulting in at least one day off work - Number of hours worked - Number of hours of training.

2

Social, societal and environmental responsibility

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

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 an accurate manner, in accordance with the Guidelines.

Paris - La Défense and Marcq-en-Barœul, on 29 January 2015

KPMG SA

Anne Garans

Partner

Climate Change &

Sustainable Development Department

Laurent Prévost

Partner



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.

Board and Management Bodies

We would remind you that the General Meeting of Shareholders of 30 November 2011 decided to change the way in which the Company was governed. The Company's legal form changed from a French Public Ltd Company

(société anonyme) with a Management Board and a Supervisory Board into a French Public Ltd Company with a Board of Directors with dissociation of the roles of Chairman of the Board and General Manager.

Board of Directors

Changes to the composition of the Board of Directors during the financial year ended:

Corporate Officer	Date of change	Nature of change
Hervé Guichard, Deputy General Manager and Director	Board of Directors of 13 March 2014	Mr. Guichard resigned from all his roles within the Manutan Group
Violette Watine	General Meeting of 13 March 2014.	Appointment in particular in order to allow the Company to comply with the regulation regarding the balance of men and women on the Board

Composition of the Board of Directors on 23 January 2015

The General Meeting of 13 March 2014 appointed Violette Watine, as Director for a period of two years, *i.e.* until the end of the General Meeting convened in the year 2016, which shall be called upon to approve the financial

statements for the year just-ended. Violette Watine was confirmed as an Independent Director by the Board of Directors of 18 December 2013.

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



Board	and	Management	Bodies

Board members	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 Xavier Guichard	Chairman of the Board	68 years	French	02/05/1994: Chairman of the Management Board GM/BD 30/11/2011: Chairman of the Board of Directors (appointment) GM/BD 19/03/2013: Chairman of the Board of Directors (renewal)	GM 2015 ⁽²⁾	449,196
Xavier Guichard	Son of Jean-Pierre Guichard, grandson of André Guichard	General Manager and Director	42 years	French	30/10/2009: Member of the Management Board GM/BD 30/11/2011: Deputy General Manager (appointment) GM/BD 19/03/2013: General Manager (appointment)	GM 2015 ⁽²⁾	4,500
Brigitte Auffret	N/A	Deputy General Manager Director and Secretary General	53 years	French	25/01/2002: Member of the Management Board GM/BD 30/11/2011: Deputy General Manager (appointment) GM/BD 19/03/2013: Deputy General Manager (renewal)	GM 2015 ⁽²⁾	4,500
Pierre- Olivier Brial	N/A	Deputy General Manager Director	41 years	French	30/10/2009: Member of the Management Board GM/BD 30/11/2011: Deputy General Manager (appointment) GM/BD 19/03/2013: Deputy General Manager (renewal)	GM 2015 ⁽²⁾	2,500
André Guichard	Father of Jean-Pierre Guichard, grandfather of Xavier Guichard	Director	90 years	French	02/05/1994: Chairman of the Supervisory Board GM 30/11/2011 GM 19/03/2013	GM 2015	2,078,173
Nicolas Huet ⁽¹⁾	N/A	Director Chairman of the Audit Committee Member of the Appointments and Remuneration Committee	44 years	French	GM 30/11/2011 GM 19/03/2013	GM 2015 ⁽²⁾	20
Carlo d'Asaro Biondo ⁽¹⁾	N/A	Director Member of the Audit Committee Chairman of the Appointments and Remuneration Committee	49 years	French	GM 30/11/2011 GM 19/03/2013	GM 2015 ⁽²⁾	148
Jérôme Lescure ⁽¹⁾	N/A	Director Member of the Audit Committee and of the Appointments and Remuneration Committee	54 years	French	GM 19/03/2013	GM 2015 ⁽²⁾	100
Violette Watine ⁽¹⁾	N/A	Director	39 years	French	GM 13/03/2014	GM 2016	85

⁽¹⁾ Independent members. Please refer to page 49 in the Chairman's Report regarding independence criteria.

André Guichard has already announced that he shall not seek the renewal of his appointment as Director that terminates on 12 March 2015. The meeting of the Board of Directors to be held after the General Meeting of 12 March 2015 shall however propose that he be appointed

Honorary Chairman of the Board of Directors for the Company that he founded in 1966, subject to the condition precedent that said General Meeting adopts the modification to the Articles of Association of the Company in order to create this role.

⁽²⁾ The Board of Directors shall request the renewal of all the appointments by the General Meeting on 12 March 2015 for a period of two years, *i.e.* until the end of the General Meeting held in 2017.

Directors' biographies and main appointments



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.

Jean-Pierre Guichard Chairman of the Board of Directors (renewal)



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 General Manager of the Company in 2011, and then as General Manager in March 2013.

Xavier Guichard General Manager and Director



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 February 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 General Manager 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 General Manager in November 2011.

Brigitte Auffret

Deputy General Manager, Director, Secretary General

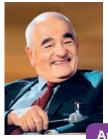


Pierre-Olivier Brial has enjoyed playing the guitar and singing since he was a child, and devotes his free time to his passion at his home recording studio. In October 2001, Pierre-Olivier Brial was hired as Assistant to the Director of Research and Development by Manutan International, the French Company.

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 General Manager in November 2011, while combining his corporate office with an employment contract.

Pierre-Olivier Brial Deputy General Manager and Director



André Guichard founded Manutan International in 1966, with his son, Jean-Pierre Guichard. At the time, he was the General Manager 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.

André Guichard 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 was appointed Director by the General Meeting of 30 November 2011; his appointment was 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 an independent Director.

Nicolas Huet

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 General Manager for France.

He joined Unisys in late 2001, as Vice-Chairman and General Manager 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 General Manager of AOL France. Three years later, he was promoted to Chairman of AOL Europe. Carlo d'Asaro Biondo was appointed as General Manager 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 was appointed Director by the General Meeting of 30 November 2011; his appointment was 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 an independent Director.

Carlo d'Asaro Biondo

Director



Jérôme Lescure is a graduate of the École Spéciale d'Architecture and École Nationale des Ponts et Chaussées, 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 Real Estate division. He became General Manager 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 a member of the Audit Committee and of the Appointments and Remuneration Committee. He is classified as an independent Director.

Jérôme Lescure

Director



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 multichannel organic beauty and well-being product retail brand, 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 handmade products. Violette Watine launched a strategy advisory and direct recruitment firm in July 2013.

Violette Watine was appointed Director by the General Meeting of 13 March 2014. She has the capacity of independent Director.

Violette Watine

Director

List of the offices held by the Directors

	Existing appointments		Expired appointments
	Existing appointments (other than those performed in the	Company)	Appointments and roles (outside the Group) performed in the last 5 years that no longer
Names	In the Group	Outside the Group	exist at this time
Jean- Pierre Guichard	Director of Manutan SA (France) Co-manager of SCI Philippe Auguste (France) Director of Manovert BV (Netherlands) Chairman of Manutan Ltd (United Kingdom) Chairman of Key Industrial Equipment Ltd (United Kingdom) Chairman of The Euroquipment Ltd (United Kingdom) Chairman of Metro Storage Systems Ltd (Republic of Ireland) Chairman of Witre AB (Sweden) Director of Manutan Unipessoal Lda (Portugal) Chairman of The Eurostore Group Ltd (United Kingdom) None of these companies are listed	Director of MT Finances (Luxembourg), unlisted company	None
Xavier Guichard	Chairman and Chief Executive Officer of Manutan SA (France) Co-manager of SCI Philippe Auguste (France) Chairman of Manutan Collectivités SAS (France) Chairman of Association du R.I.E. Manutan (France) Chairman of Sports et Loisirs SAS (France) Chairman of Manutan Italia Spa (Italy) Manager of Manutan SI (Spain) Director of Manutan s.r.o. (Czech Republic) General Manager of Trovatar a.s. (Czech Republic) Director of Manutan Unipessoal Lda (Portugal) Chairman of IronmongeryDirect Ltd (United Kingdom) Director of The Eurostore Group Ltd (United Kingdom) Chairman of Group Hardware Ltd (United Kingdom) Director of Witre OY (Finland) Director of Witre A/S (Denmark) Chairman of Ikaros Cleantech AB (Sweden) Chairman of Ikaroy OY (Finland) Director of Manutan Ltd (United Kingdom) None of these companies are listed	None	None
Hervé Guichard ⁽¹⁾	Chairman and Chief Executive Officer of Manutan SA (France) Chairman of Manutan Collectivités Entreprises SAS (France) Co-manager of SCI Philippe Auguste (France) Chairman of Association du R.I.E. Manutan (France) Chairman of Sports et Loisirs SAS (France) Chairman of Manutan Italia Spa (Italie) General Manager of Manutan SI (Espagne) None of these companies are listed	None	None
Brigitte Auffret	Deputy General Manager of Manutan SA (France) Chairwoman of the Supervisory Board of Manutan Collectivités SAS (France) Chairwoman of the Supervisory Board of Sports et Loisirs SAS (France) Director of Manovert BV (Netherlands) Director of Witre AB (Sweden) Member of the Supervisory Board of Trovatar a.s. (Czech Republic) Director of The Eurostore Group Ltd (United Kingdom) 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) Director of Manutan s.r.o. (Czech Republic) Director of IronmongeryDirect Ltd (United Kingdom) None of these companies are listed	None	None

⁽¹⁾ It is specified that Hervé Guichard has no appointment with Manutan International or any of its subsidiaries since his resignation on 13 March 2014.

	Existing appointments		Expired appointments
	Existing appointments (other than those performed in the	Company)	Appointments and roles (outside the Group) performed in the last 5 years that no longer
Names	In the Group	Outside the Group	exist at this time
Pierre- Olivier Brial	Deputy General Manager of Manutan SA (France) Member of the Supervisory Board of Manutan Collectivités SAS (France) Member of the Supervisory Board of Sports et Loisirs SAS (France) Director of Manovert BV (Netherlands) Director of Manutan NV (Belgium) Co-manager of Fabritec-Overtoom GmbH (Switzerland) Co-manager of Overtoom International Deutschland GmbH (Germany) Member of the Supervisory Board of Trovatar a.s. (Czech Republic) Director of Manutan Ltd (United Kingdom) Director of Key Industrial Equipment Ltd (United Kingdom) Director of Euroquipment Ltd (United Kingdom) Director of Rapid Racking Ltd (United Kingdom) Director of The Eurostore Group Ltd (United Kingdom) Director of Metro Storage Systems Ltd (Republic of Ireland) Chairman of Witre A/S (Norway) Director of Witre AB (Sweden) Chairman of Witre Oy (Finland) Director of Ikaros Cleantech (Sweden) Director of IronmongeryDirect Ltd (United Kingdom) Director of Group Hardware Ltd (United Kingdom) None of these companies are listed	None	None
André Guichard	None	Chairman of the Board of Directors of MT Finances (Luxembourg), unlisted company	None
Nicolas Huet	None	Director of Eurazeo (Italy), unlisted company	Director of ECIP M SA (Luxembourg), unlisted company
Carlo d'Asaro Biondo	None	Independent Director of Darty Plc, listed company	Chairman of Rusconi (Italy) Chairman of Hachette Fujingaho (Japan) Member of the Management Board of 40 subsidiaries of the Lagardère Group
Jérôme Lescure	None	Co-manager of Lavilla SARL Chairman of Camsel SAS Chairman and Director of Brassac Holding Deputy General Manager 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 Director of Archimen Group and of Inspirational Stores, unlisted companies Representing the OTC AM funds for Ymagis, listed company	Manager of Trois Rivières Holding
Violette Watine	None	Co-manager of Partners & Co. (France), unlisted company	Co-manager of Mind Partners, <i>unlisted company</i>



Executive Directors

Xavier Guichard General Manager

Brigitte Auffret Deputy General Manager
Pierre-Olivier Brial Deputy General Manager

Committees of the Board of Directors

The Board of Directors has set up the following Committees:

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

Each 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 of Directors to which it reports.

The composition, organisation, operation and role of committees are described in the Chairman's report, page 48 *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 Executive 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, have been prevented by a

court of justice from acting as a member of a Management, Executive or Supervisory corporate body or from 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 Executive 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 Executive 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 concluded with the main Shareholders, customers or suppliers by which a member of the Board of Directors and Executive 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 Executive 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 148.

Remuneration of the Board and Management Bodies

Global remuneration of the Corporate Officers

In respect of the financial year ended 30 September 2014, total remuneration paid to members of the Board and Management Bodies for services rendered to the Group amounted to $\ensuremath{\in} 2,034,984$ ($\ensuremath{\in} 1,951,526$ at 30 September 2013). The Managing 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 page 62 *et seq.*, of this document.

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

Non-Executive Corporate Officer

Jean-Pierre Guichard

The following information regarding Jean-Pierre Guichard is given with regard to his role as (Non-Executive) Chairman of the Board of Directors of the Company.

Jean-Pierre Guichard – Chairman of the Board of Directors	Financia	ıl period
In euros	2012/2013	2013/2014
Remuneration due for the year (detailed in table below)	455,238	450,000
Valuation of multi-annual variable remuneration awarded during the year	None	None
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	455,238	450,000

Jean-Pierre Guichard	2012/2013		2013/2014	
Amounts awarded during the year				
In euros	Due ⁽¹⁾	Paid ⁽²⁾	Due ⁽¹⁾	Paid ⁽²⁾
Fixed remuneration	450,000	450,000	450,000	450,000
Variable annual remuneration*				
Multi-annual variable remuneration				
Exceptional remuneration				
Directors' fees				
Benefits in kind – Company car ⁽³⁾	5,238	5,238		
TOTAL	455,238	455,238	450,000	450,000

- $(1) \ \ \text{This is the remuneration awarded to a Corporate Officer during the financial year, regardless of the payment date.}$
- (2) This is the total remuneration paid to a Corporate Officer in respect of their duties during the financial year.
- (3) Jean-Pierre Guichard does not have a Company car.
- * No variable remuneration is payable in respect of his duties as (Non-Executive) Chairman of the Board of Directors.

Executive Directors

Xavier Guichard

The following information regarding Xavier Guichard is given with regard to his appointment as Director and General Manager of the Company.

Xavier Guichard – GM of Manutan International	Financial period	
In euros	2012/2013	2013/2014
Remuneration due for the year (detailed in table below)	465,936	335,442
Valuation of multi-annual variable remuneration awarded during the year	None	None
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	465,936	335,442

Xavier Guichard	2012/2013	3	2013/	2014
Amounts awarded during the year	'			
In euros	Due ⁽¹⁾	Paid ⁽²⁾	Due ⁽¹⁾	Paid ⁽²⁾
Fixed remuneration	330,000	330,000	330,000	330,000
Variable annual remuneration*	130,488	52,406	0	130,488
Multi-annual variable remuneration				
Exceptional remuneration				
Directors' fees				
Benefits in kind – company car	5,448	5,448	5,442	5,442
Benefits in kind – GSC senior executive unemployment insurance				
TOTAL	465,936	387,854	335,442	465,930

- (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 annual 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 pre-tax operating income and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International ⁽²⁾

- (1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the achievement 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 17 December 2014.

Hervé Guichard

The following information regarding Hervé Guichard is given with regard to his appointment as Director and Deputy General Manager of the Company for the period running from 1 October 2013 to 13 March 2014.

Hervé Guichard – DGM of Manutan International	Financial period	
In euros	2012/2013	2013/2014
Remuneration due for the year (detailed in table below)	468,380	152,982
Valuation of multi-annual variable remuneration awarded during the year	None	None
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	468,380	152,982

Hervé Guichard	2012/2013	3	2013/	2014
Amounts awarded during the year	Due ⁽¹⁾	Paid ⁽²⁾	Due ⁽¹⁾	Paid ⁽²⁾
Fixed remuneration	330,000	330,000	149,417	149,417
Variable annual remuneration*	130,488	52,843	0	130,488
Multi-annual variable remuneration				
Exceptional remuneration				
Directors' fees				
Benefits in kind – company car	7,892	7,892	3,565	3,565
Benefits in kind – GSC senior executive unemployment insurance				
TOTAL	468,380	390,735	152,982	283,470

- (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 annual remuneration

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 pre-tax income and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International ⁽²⁾

- (1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the achievement of objectives. The share of variable remuneration is indexed 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 17 December 2014.

Brigitte Auffret

The following information regarding Brigitte Auffret is given with regard to her appointment as Director and Deputy General Manager of the Company.

rigitte Auffret – DGM of Manutan International Financial pe		l period
In euros	2012/2013	2013/2014
Remuneration due for the year (detailed in table below)	454,048	349,534
Valuation of multi-annual variable remuneration awarded during the year	None	None
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	454,048	349,534

Brigitte Auffret	2012/2013		2013/2	2014
Amounts awarded during the year				
In euros	Due ⁽¹⁾	Paid ⁽²⁾	Due ⁽¹⁾	Paid ⁽²⁾
Fixed remuneration	330,000	330,000	330,000	330,000
Variable annual remuneration*	104,390	45,768	0	104,390
Multi-annual variable remuneration				
Exceptional remuneration				
Directors' fees				
Benefits in kind – company car	4,188	4,188	4,188	4,188
Benefits in kind – GSC senior executive unemployment insurance	15,470	15,470	15,346	15,346
TOTAL	454,048	395,426	349,534	453,924

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

^{*} Variable annual 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 pre-tax income and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International ⁽²⁾

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

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

⁽²⁾ For confidentiality reasons non-public performance objectives were pre-established and defined in detail by the Board of Directors of Manutan International on 17 December 2014.

Pierre-Olivier Brial

The following information regarding Pierre-Olivier Brial is given with regard to his role as Marketing and Group Development Director and his appointment as Director and Deputy General Manager of the Company.

Pierre-Olivier Brial – DGM of Manutan International	Financia	l period
In euros	2012/2013	2013/2014
Remuneration due for the year (detailed in table below)	374,161	293,086
Valuation of multi-annual variable remuneration awarded during the year	None	None
Valuation of options awarded during the year	None	None
Valuation of performance shares awarded during the year	None	None
TOTAL	374,161	293,086

Pierre-Olivier Brial	2012/2013		2013/2	2014
Amounts awarded during the year				
In euros	Due ⁽¹⁾	Paid ⁽²⁾	Due ⁽¹⁾	Paid ⁽²⁾
Fixed remuneration	280,008	280,008	287,502	287,502
Variable annual remuneration*	88,573	36,685	0	88,573
Multi-annual variable remuneration				
Exceptional remuneration				
Directors' fees				
Benefits in kind – company car	5,580	5,580	5,584	5,584
Benefits in kind – GSC senior executive unemployment insurance				
TOTAL	374,161	322,273	293,086	381,659

- (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 annual 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 pre-tax income and on turnover, and is subject to minimum performance conditions proposed annually by the Board of Directors of Manutan International ⁽²⁾

- (1) The bonus rate may vary between 0 and 1.5 times the target bonus, depending on the achievement of objectives. The share of variable remuneration is indexed 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 17 December 2014.

SUMMARY TABLE

	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 Appointment begins: 19 March 2013 Appointment expires: General Meeting 2015		Х		X		Х		Х
Xavier Guichard ⁽¹⁾ Director and General Manager Appointment begins: 19 March 2013 Appointment expires: General Meeting 2015	Х			X		X		X
Hervé Guichard ⁽²⁾ Director and Deputy General Manager Appointment begins: 19 March 2013 Appointment expires: General Meeting 2015/ resigning from his role on 13 March 2014	X			X		X		X
Brigitte Auffret ⁽³⁾ Director and Deputy General Manager Appointment begins: 19 March 2013 Appointment expires: General Meeting 2015	X		X			X		X
Pierre-Olivier Brial ⁽⁴⁾ Director and Deputy General Manager Appointment begins: 19 March 2013 Appointment expires: General Meeting 2015	Х			X		X		Х

- (1) Xavier Guichard holds an employment contract signed with Manutan International. This contract has been suspended since 30 November 2011 by a decision of the Board of Directors taken on the same day. The continuation of the employment contract is justified due to the period of service of the employment contract; the contract was signed on 30 June 2002.
- (2) Hervé Guichard holds an employment contract with the subsidiary Manutan SA. This contract has been suspended since 12 July 2005. As Deputy General Manager, Xavier Guichard is not covered by the MiddleNext Code recommendations on combining an employment contract with an appointment as a corporate officer.
- (3) Brigitte Auffret holds an employment contract with Manutan International. This contract has been suspended since 1 April 2008. As Deputy General Manager, Brigitte Auffret is not covered by the MiddleNext Code recommendations on combining an employment contract with an appointment as a corporate officer. Brigitte Auffret is entitled to end-of-service bonuses the terms of which are described in the Report of the Chairman on Corporate Governance and internal control and risk management procedures, on page 54.
- (4) Pierre-Olivier Brial has held an employment contract with Manutan International since 1 October 2001.

 As Deputy General Manager, Pierre-Olivier Brial is not covered by the MiddleNext Code recommendations on combining an employment contract with an appointment as a corporate officer.

Stock options and free shares

No option for the subscription or purchase of shares and no performance shares have been awarded to the Managing Directors during the year. They have exercised no options.

Programme for the allocation of free shares

History of performance shares awarded to Executive Directors

By a decision of the Management Board taken on 15 January 2009, under the terms of the delegation granted by the Extraordinary General Meeting of 13 March 2008, 2,500 free shares were awarded to:

- Brigitte Auffret;
- Xavier Guichard;
- ▶ Hervé Guichard;
- Pierre-Olivier Brial,

in their capacity as members of the Management Board, and as part of the scheme for awarding free shares adopted by the Management Board in January 2009.

Number and date of scheme	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 operating profit (excluding external growth transactions) for the two years prior to the final grant to be maintained above 7% of turnover;
					 positive consolidated net income during the two years prior to the final award 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 that Brigitte Auffret must hold in registered form until the expiry of the holding period of two years, and until the

termination of her appointment or position, at 10% of the total number of free shares awarded. See "Holding policy" on page 54.

The record of free share allocations is included under "General information concerning the share capital" on page 146 of this document.

Directors' fees

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

Directors' fees paid to members of the Board of Directors amounted to €96,000 at 30 September 2014 (€85,714 for the financial period ended on 30 September 2013) broken down as follows:

Financia	l perio
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In euros 2012/20	13	2013/2014
Jean-Pierre Guichard – Chairman of the Board	-	-
Xavier Guichard – General Manager	-	-
Hervé Guichard – Deputy General Manager, Director until 13 March 2014	-	-
Brigitte Auffret – Deputy General Manager, Director	-	-
Pierre-Olivier Brial – Deputy General Manager, Director	-	-
André Guichard – Director	-	-
Nicolas Huet – Director 30,0	00	24,000
Carlo d'Asaro Biondo – Director 25,7	14	18,000
Jérôme Lescure – Director 17,1	43	24,000
Pascale Auger – Director until 19 March 2013	57	-
Violette Watine – Director	-	30,000
TOTAL 85,7	14	96,000

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 2013/2014 financial year.

No options to subscribe to or purchase shares were awarded or exercised during the 2013/2014 financial year.

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

This report by the Chairman of the Board of Directors on internal control and risk management procedures implemented by the Group is prepared pursuant to Article L. 255-37 of the French Commercial Code.

Dear Shareholders,

In accordance with the Law, the Chairman of the Board of Directors of French public 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 General Manager, the references made to a Corporate Governance code, and the specific procedures relating to participation of Shareholders 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 Management;
- Communications Management.

The draft of this report was prepared internally by the departments listed above; it was then reviewed with the Executive 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 17 December 2014 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 Public Ltd Company (société anonyme) with a Management Board and a Supervisory Board into a French Public Ltd Company with a Board of Directors with dissociation of the roles of Chairman of the Board and General Manager.

This change of governance was intended to increase the efficiency of the Executive Management's decision-making process, while allowing the (Non-Executive) Chairman of the Board of Directors to participate in setting the Group's major strategic guidelines.

2 Corporate Governance Code

With regard to the Corporate Governance Code, by a decision of the Board of Directors during its meeting on 18 December 2013, our Company shall refer to the corporate governance code for small and medium listed companies published by MiddleNext in December 2009.

This code is particularly well suited to the Company taking into account its size and shareholding. It is available on the website: www.middlenext.com (hereafter "Reference Code").

When this Code was adopted, the Board was made aware of the factors listed in the "points of vigilance" in the Code. The Reference Code also includes points of vigilance drawn from guidelines for reasonable governance for French companies, which recalls the questions that the

Board of Directors must consider to ensure the correct operation of governance. The Board of Directors of the Company was made aware of these points of vigilance during its meeting on 17 December 2014.

Composition of the Board of Directors and Committees

The Chairman states that this section only concerns the composition of the new bodies established since 19 March 2013.

3.1 Composition of the Board of Directors

At 23 January 2015, the Board consists of nine members:

- Jean-Pierre Guichard, Chairman of the Board of Directors;
- Xavier Guichard, Director and Deputy General Manager;
- Brigitte Auffret, Director, Deputy General Manager and Secretary General;
- Pierre-Olivier Brial, Director and Deputy General Manager;
- André Guichard, Director;

- Jérôme Lescure, Director;
- Nicolas Huet, Director;
- Carlo d'Asaro Biondo, Director;
- ▶ Violette Watine, Director.

Please refer to chapter "Corporate Governance, Board and Management Bodies" page 34 et seq. for further details regarding the members of the Board of Directors.

Independence of the members of the Board of Directors

Pursuant to the MiddleNext corporate governance code, a Director is independent wherein no significant familial, financial or contractual relationship may impact the independence of their judgement.

During its meeting of 17 December 2014, the Board considered the situation of each of the Directors with regard to the MiddleNext Code independence criteria referred to above and considered that Jérôme Lescure, Nicolas Huet, Carlo d'Asaro Biondo and Violette Watine could be considered as independent, pursuant to the definition given by recommendation R8 of the MiddleNext Code. Thus, at 23 January 2015, at least four of the members of the Board are Independent Directors.

The following table summarises the independence criteria from the MiddleNext Code chosen for each of the members.

Independence criteria	Jérôme Lescure	Nicolas Huet	Carlo d'Asaro Biondo	Violette Watine
Not being an employee or an Executive Director of the Company or a company in its Group and not having been either of the above for the previous three years	Х	Х	Х	Х
Not being a significant customer, supplier or banker for the Company or its Group or for which the Company or its Group represents a significant part of the activity	Х	Χ	Χ	Χ
Not being a reference shareholder in the Company	Χ	Χ	Χ	Χ
Not having close family ties with a Corporate Officer or a reference shareholder	Χ	Χ	Χ	Χ
Not having been a Company auditor over the previous three years	Χ	Χ	Χ	Χ

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 two women and seven men among its members.

The principle of equal representation of men and women on the Board shall be one of the factors for the next assessment of the Board.

4 Directors' concurrent appointments

The Company complies with the recommendation from the MiddleNext code for corporate governance for listed companies under the terms of which it is recommended that a Director, who performs a "Managing" role, refrains from accepting more than three appointments as Director in listed companies, including in other countries, outside their Group.

Refer to pages 38 and 39 of this document entitled "Board Bodies".

5 Internal Rules of Procedure of the Board of Directors

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

It is in particular specified that the Company Internal Rules of Procedure were considered and updated by a decision of the Board on 18 December 2013 to take into account, in particular, the adoption of the MiddleNext Code.

6 Limitations on Executive Management's powers

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

- 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;
- for amounts exceeding five hundred thousand euros (€500,000) per transaction, with the incorporation of companies or equity investments or disposals of shareholdings of any form in any company;
- the incorporation or termination of any subsidiary,
 branch or office, either in France or in any other country;
- 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 Managing Director'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 bonus, 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 providential 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 providential benefits.

The same applies to any significant transaction outside the Company's stated strategy.

Organisation and operation of the Board of Directors and Committees during the financial year ending on 30 September 2014

The Chairman indicates that the new Board and Management Bodies were appointed on 19 March 2013.

7.1 Assignments 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 Executive Management is organised: complementarity or dissociation of the roles of Chairman and General Manager;
- appoints and dismisses the Chairman, the General Manager and the Deputy General Managers;
- defines the Executive Management's remuneration policy and, where necessary, allocates the total amount of Directors' 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 General Meeting;
- reports on its actions in the report to the General 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 of the Board of Directors:

- 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 relationships 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;
- the relationship 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 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 were 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 five (5) times since the start of the 2013/2014 financial year.

During this period, the attendance rate for members present or represented was 64%. 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 the examination of the annual and interim financial statements, the internal control policy, professional and wage equality and the Group's main CAPEX projects.

7.5 Assessment of the Board of Directors' work

The Board carried out an assessment of the work performed over the financial year 2013/2014, in order to improve the conditions and its operation. This assessment was carried out internally and during a meeting of the Board on 17 December 2014, the operation of the Board was deemed, unanimously, to be overall positive.

Pursuant to Article 6 of the Internal Rules of Procedure, updated on 18 December 2013, the Chairman of the Board shall, each year, invite the members to give their views on the operation of the Board, the preparation of its works and on the issue of diversity within the Board.

7.6 Management and prevention of conflicts of interest

Where the prevention and management of conflicts of interests is concerned, the Board's Internal 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;
- and 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 held liable if they fail to comply with these abstention or withdrawal rules. It is specified that providing no information is considered as a declaration of no conflict of interest.

Furthermore, the Chairman of the Board shall not be required to forward information or documents relating to the contentious issue to any Director(s) who 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 is composed, at 23 January 2015, of three independent members of the Board of Directors, appointed by the Board of Directors on 19 March 2013, for the term of their mandate as Director:

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

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

They also all have specific expertise in finance and accountancy, in view of their academic history and their professional experience (the professional experience of members of the Audit Committee is referred to on page 37.)

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 and permanent;
- 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 meetings 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 has met on two (2) occasions over the 2013/2014 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 83%.

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 is composed, at 23 January 2015, of three independent members of the Board of Directors, appointed by the Board of Directors on 19 March 2013, for the term of their mandate as Director:

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

The Board took the view that all the 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 Executive 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 key executives;
- puts forward proposals for selecting Board Members and Committee Members, given the desirable balance for 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 Directors who are 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 Corporate Officers 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 end-of-service 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 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 Executive Management is reviewed, or which sets the agenda of a Shareholders' 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 has met on two (2) occasions over the 2013/2014 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 100%. 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 (Directors' fees)

The General Meeting of 30 November 2011 set at €150,000 the maximum total amount of Directors' fees for the financial year in question, until a contrary decision is made. Please see the table on page 47 for further information regarding the allocation of Directors' fees for the financial year 2013-2014.

In accordance with the provisions of the Board of Directors' Internal Rules of Procedure, every Director may receive Directors' 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 Executive Management (Chairman of the Board of Directors, General Manager or Deputy General Manager) do not receive Directors' fees;
- the Board will allocate Directors' fees for Directors who are not part of the management team on a pro rata basis according to their attendance and the time that they devote to their role;
- 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 2013 has decided to set the remuneration of the Non-Executive Chairman of the Board of Directors, the amount of which is referred to on page 41, in view of his legal assignments previously referred to on page 51 and the following additional assignments that the Board has entrusted to him:

- representing the Company, and relationships 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;
- the relationship 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 (General Manager and Deputy General Managers)

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

This policy covers in detail the fixed, variable and exceptional remuneration and any benefits in kind granted by the Company (pension, end-of-service 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 Managing Directors within the Company.

9.3.1 Calculation of the fixed component

The Board of Directors approves the fixed component of each Executive Director's remuneration for a period of twelve (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 annual variable component of each Executive Director's remuneration based on the following quantitative criteria: target turnover and pre-tax operating income subject to 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 Directors 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 meeting 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 of 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 Appointments and 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 their fixed and variable remuneration for the previous financial year.

The Management 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 General Manager, and which must be held in registered form until the termination of the General Manager's position.

9.3.4 Bonuses, benefits and remuneration granted to Appointed Managing Directors 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 General Manager, in an identical amount, in the event that her employment is terminated in the following way:

In the event of dismissal (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 Officer 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 current operating profit 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 income over the past three financial years preceding the notification of the termination of the employment contract. These aggregate conditions are based on the consolidated net income. The achievement of these objectives shall be based on the consolidated accounts for the previous 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 made to the benefit of Brigitte Auffret, as described above, is a regulated agreement approved by the Annual General Meeting on 13 March 2014; as the renewal of the appointment of Brigitte Auffret shall be submitted to the General Meeting on 12 March 2015, this undertaking shall be submitted to the Annual General Meeting convened to approve the financial statements for the year just ended on 30 September 2015 (subject to the renewal of the appointment of the Deputy General Manager by the Board following the Meeting on 12 March 2015).

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 General Manager.

9.3.5 Pensions

The Executive Directors do not benefit from any supplementary pension scheme.

9.3.6 Benefits in kind

The Executive Directors have a Company car. Furthermore, Brigitte Auffret benefits from a senior executive unemployment insurance 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 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 a proxy; (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.

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 control department that led the project.

1 Internal control and risk management procedures

1.1 Definition of internal control

Within the Manutan Group, internal control is a procedure defined and implemented by the Executive Management, with the responsibility of all its employees.

It plays a key role in the performance and management of the different operations by assisting in preventing and controlling the risks of failing to achieve the targets fixed by the Company.

Internal control aims to ensure:

- compliance with laws and regulations;
- the application of the instructions and directions set by the Executive Management;
- that internal Company procedures operate correctly, in particular those contributing to safeguarding assets;
- the accuracy of financial information.

It contributes in a general manner to the management of activities, the effectiveness of the operations and the efficient use of resources. However, internal control cannot provide an absolute guarantee that the Company's targets will be achieved.

Consequently, the primary objective of the current internal control procedure within the Manutan Group is to provide Managing Directors, the Board of Directors and Shareholders with reasonable assurance that:

- the risks to which the Group is subject are identified and managed;
- the published financial statements are prepared on a reliable basis that accurately reflects the operations and position of the Company;
- the Group's operations comply with the law and regulations in force, as well as Group values and rules whilst preserving the Group's assets.

The implementation of good internal control practices also contributes to the reduction in risk of fraud and error within the Group.

1.2 The Guidelines used by the Manutan Group

This draws its inspiration from the reference framework on the procedures for risk management and internal control systems for small and medium-sized listed companies, published on 22 July 2010 by the AMF and based on the internal control guidelines known as COSO (Committee of Sponsoring Organizations of the Treadway Commission).

2 The Manutan Group's internal control environment

The procedure in place within the Manutan Group is coordinated by a team dedicated to risk management and internal control.

This team depends on an operational organisation over different levels within the Corporate Finance department at the Group head office under the management of the Executive Management.

It is responsible for communications and awareness measures regarding this area. It aims to achieve better risk management and a higher level of performance.

2.1 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 managements (Marketing and Purchasing, Information Systems, Corporate 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 the 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.

2.2 Those contributing to internal control

Internal control is everybody's business, from the governing bodies of the Group to all Manutan Group employees.

Although management is responsible for the implementation of good internal control practices throughout the Group, the risk management and internal audit department is in charge of applying and coordinating procedures.

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

The risk management and internal audit department defines the structure and procedures for the Group's internal control together with all key players, local operating staff and functional staff from the holding company

It also ensures, through fieldwork reviews, that stated rules are correctly applied.

Executive Management

Management of the Manutan Group is entrusted to the Executive Management that defines the action plans required for the implementation of the Group's strategy. It also ensures the uniformity and consistency of practices within all the Group's subsidiaries.

The management is based on a functional and operational organisation of the departments within the Group with defined duties, responsibilities and expertise.

Board of Directors

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 application and translation into action plans.

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 Managing Directors.

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

Audit Committee

The Audit Committee is responsible for monitoring the procedure for the preparation of financial information, the effectiveness of internal control and risk management systems (see page 52 of this document).

Group Financial Management

The preparation of Group accounting and financial information is the responsibility of the Group Financial Management, which supervises the work carried out by local financial managements. In this way the Group Financial Management depends mainly on:

■ The Corporate Division – Finance: it is responsible for preparing the Group's interim and annual consolidated financial statements. It is in particular responsible for ensuring the implementation of the detailed instructions for the closing of accounts for each subsidiary in the Group. It must also ensure the accuracy of the accounting information as well as the definition and distribution of standards within the Group. It must also establish the guidelines for managing taxes, cash and relations with investors.

Lastly, the Division is also responsible for managing and implementing the risk management and internal control procedure, through the definition and the implementation of internal control and risk management guidelines. The department dedicated to this procedure also directs the internal control work and audits through financial or operational business-wide assignments in the subsidiaries.

■ The Management Control Division: this is a key player in operational control for the Group. It is tasked with ensuring the regular control of operating performance via reporting and key performance indicators (KPI). It deals directly with the operational realities of subsidiaries and may participate in the resolution of management difficulties beyond the single area of finance.

■ The Legal Division: it monitors compliance with laws, regulations and rules of procedure for the delegation of powers and responsibilities within the Group.

Legal control is ensured by the presence of at least one of the members of the Group Board of Directors at the Boards of Directors of companies leading an operational area.

Procedures relating to the preparation and processing of accounting and financial information

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.

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.

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.

3.1 The budgetary procedure

The Group Financial Management is responsible for overseeing the budgetary procedure. The Manutan Group's budgetary procedure is managed according to an annual calendar. Budgets for countries and operating areas are generated on the basis of guidelines issued by the Board of Directors of Manutan International and discussions between Operating Management, the Group Financial Department and cross-functional departments.

Draft budgets for the areas are presented for each area during an official review between the Board of Directors and the Operational Managers: the strategic directions, the projects and the associated means as well as the detailed resulting objectives are commented on.

Following any revisions requested by the Board of Directors, the budgets for the operating areas and accordingly those of the corresponding companies are then validated.

The Group draft budget is then definitively amended and the Group's resulting targets and their financial impact are presented to and shared with the Group's Managing Directors and its main managers.

Overall consistency is thus assured, with regard to the Group and its operating areas, areas with its countries, and Functional Top Management and Operating Top Management. The budget serves as a benchmark throughout the year. Forecasts are reviewed and revised on a quarterly basis.

3.2 The reporting procedure

Group reporting consists of monthly monitoring of the performance of the entities by means of specific indicators whose coherence and accuracy are reviewed by the Financial Management: these are standard financial 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.

3.3 The consolidation procedure

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.

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

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 managers 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.

3.4 Use of Statutory Auditors' reports

The Group internal control and risk management department manager summarises and reports all audit issues brought to his/her attention by the Statutory Auditors.

He/she then ensures the internal audit follow-up on all of these issues and participates, as appropriate, in the implementation of corrective measures. The Group Statutory Auditors complete the operational control framework by carrying out an external audit at each Group entity. The parent company, Manutan International decided to appoint two different firms for the audit of the Group and all its subsidiaries' accounts in order to ensure a standard method and consistent conclusions.

3.5 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 common financial guidelines, the various phases of financial information generation: budget, reporting and preparing consolidated financial statements.

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

4 Risk assessment and audit activities

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

The internal audit/control and risk management unit is responsible for raising awareness with all internal players regarding risk management, but the role of the manager of the department is not restricted to defining the standards and controlling/auditing that they applied correctly.

He/she participates actively in implementing corrective actions undertaken by the operational entities, which are necessary to reduce non-compliances identified during the validation of Group procedures.

The internal control and internal audit unit is responsible for developing and drafting Group procedures aimed at structuring and improving internal control.

As part of the implementation of the Group's risk management policy, the following risks have been identified as referred to under "Risk Factors" (pages 78 et seq. of this document):

- financial risks: risks related to the market, rates, exchange, shares, customer credit, the economic climate and raw materials;
- operational risks: risks related to transporter failures, the information systems, competition, acquisitions, protecting ethical and social assets, and risks for the company's reputation;
- industrial and environmental risks;
- legal risks.

In order to implement internal management of audits to ensure continuing improvement, the projects related to internal control and risk management result in the creation of various documents and tools, which are valuable points of reference for Manutan Group employees.

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

- a review of IT risk mapping and the criteria for risk assessment;
- a review of user access as part of the project for deploying ERP at a Group level (under way);
- work on various scenarios for the Manutan France business continuity plan (under way);
- control of sensitive points such as the financial flows and delegation of powers and ongoing monitoring of the system:
- 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 safety, and follow-up of corresponding points;
- follow-up of audits previously carried out internally, and points identified by the Statutory Auditors in the various subsidiaries with the implementation of action plans.

Otherwise, with the overall aim of strengthening the system, the Group has:

- updated to the Group accounting and financial manual that lists all the accounting, management and consolidation rules to be applied by the subsidiaries;
- carried out regular assignments providing assistance to entities, such as for annual closing of accounts.

Lastly, the internal control and internal audit and risk management unit is a key participant in the main Group Information Systems projects, making recommendations in the area of internal control.

The consolidated financial statements are also reviewed quarterly by Financial Management, which presents 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.

5 Outlooks

The Manutan Group is committed to a continuing improvement approach for its procedures. The priorities identified in previous years: expenditure commitment management, securing of financial flows, inventory management, purchase management, and IT security are still relevant issues according to the audits performed and will form the guiding basis for the involvement of the internal control and risk management unit next year.

Work on increasing the security of our IT systems will intensify, particularly regarding the deployment of several exercises with the Group's new ERP system.

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

The internal control and risk management unit will also continue to ensure the physical security of assets and people within the Group by performing site audits.

In line with the previous financial years, 2014/2015 will include a substantial amount of work on updating the structural elements of the internal control and risk management unit:

- updates to risk mapping;
- improvements and updates to Group standards;

- follow-up of internal control points identified by the local/Group auditors;
- audit of the different steps in the sales and purchasing circuits;
- regular auditing assignments of the operational and financial processes of Group subsidiaries with a particular emphasis on checks on the information systems.

Particular attention will continue to be paid to monitoring major ongoing projects, through audits performed at key stages in the subsidiaries, 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

Statutory Auditors' report on the report of the Chairman of the Board of Directors of Manutan International SA

Statutory Auditors' report, prepared pursuant to Article L. 225-235 of the French Commercial Code (Code de commerce), on the report of the Chairman of the Board of Directors of Manutan International SA

Financial year ended 30 September 2014

Dear Shareholders,

In our capacity as Statutory Auditors of Manutan International SA and pursuant to the provisions of Article L. 225-235 of the French 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 French Commercial Code for the financial year ended 30 September 2014.

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 French 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 French 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

The professional 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 French 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, 29 January 2015

Courbevoie, 29 January 2015

Mazars

The Statutory Auditors

KPMG Audit

A Division of KPMG SA

Laurent Prévost

Partner

Simon Beillevaire

Partner

Special report of the Statutory Auditors on regulated agreements and commitments

General Meeting for the approval of the financial statements for the financial year ended 30 September 2014

Dear Shareholders,

In our capacity as Statutory Auditors for your Company, we hereby present to you our report on regulated agreements and commitments.

It is our duty to inform you, based on the information made available to us, of the features and the essential terms of the agreements and commitments of which we have been advised or that we have discovered during our assignment, though we are not obliged to comment on their usefulness or their value or to seek out other agreements or commitments. It falls upon you, under the terms of Article R. 225-31 of the French Commercial Code, to consider the value of the conclusion of these agreements and commitments with a view to their approval.

It is also our duty, where appropriate, to inform you of the information provided for by Article R. 225-31 of the French Commercial Code regarding the performance, over the financial year ended, of the agreements and commitments previously approved by the General Meeting.

We have performed those procedures which we considered necessary in accordance with professional guidance issued by the national auditing body [the *Compagnie nationale des commissaires aux comptes*] regarding this assignment. These procedures consisted of verifying that the information provided to us was consistent with the data in the documents from which it was drawn.

Agreements and commitments submitted for approval by the General Meeting

Agreements and commitments without prior authorisation

Pursuant to Articles L. 225-42 and L. 823-12 of the French Commercial Code, we inform you that the following agreements and commitments were not subject to prior authorisation by your Board of Directors.

We have the duty to inform you of the circumstances under which the authorisation procedure was not followed.

Licensing contract for the Manutan BV brand (Netherlands), subsidiary held in full by your Company sharing Managing Directors with your Company

Person concerned:

Pierre-Olivier Brial.

Nature and subject:

Your Company has granted a brand license for the brand Manutan to its subsidiary Manutan BV for a term of ten years from 1 February 2014, renewable by tacit agreement.

In consideration or the operation of this license, the company Manutan BV undertakes to pay to your Company an annual fee of 1.5% of the turnover before tax.

Terms:

Following the absence of any prior authorisation, we specify that, during its meeting on 17 December 2014, your Board of Directors ratified the agreement *a posteriori*.

The amount of the fee invoiced to the subsidiary Manutan BV for the financial year ended 30 September 2014 amounts to €652,487.

Agreements and commitments previously approved by the General Meeting

Agreements and commitments approved during previous financial years the performance of which continued during the financial year ended

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed of the performance of the following agreements and commitments, previously approved by the General Meeting during previous financial years, that continued during the financial year ended.

1. Agreement concluded with a member of the Board of Directors: signature of an amendment to an employment contract

Person concerned:

Pierre-Olivier Brial.

Nature and subject:

Your Company modified the employment contract, of Pierre-Olivier Brial, through the signature of an amendment, as he found himself in a situation of combining an employment contract with an appointment as a member of the Board of Directors and Deputy General Manager.

From the signature of the amendment to the employment contract on 30 November 2011, Pierre-Olivier Brial shall also perform the functions of Group Marketing and Development Director. In this capacity, Pierre-Olivier Brial shall be tasked with developing, organising and managing the marketing and merchandising strategy defined by the Group at a Group level.

Terms:

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

2. Agreement concluded with a member of the Board of Directors: amendment to an employment contract

Person concerned:

Pierre-Olivier Brial.

Nature and subject:

The Board of Directors of your Company decided to bring the annual gross fixed remuneration of Pierre-Olivier Brial to €190,000 for the period from 1 January 2014 to 31 December 2014 under the terms of his contract as Group Marketing and Development Director and to €100,000 for his corporate mandate.

The terms for the variable remuneration component remain unchanged: in addition to the gross fixed component referred to above, Pierre-Olivier Brial may receive variable remuneration the payment of which is conditional upon the achievement of defined objectives. This variable remuneration amounts to 40% of the gross annual salary of Pierre-Olivier Brial, upon the achievement of 100% of the objectives and may not, in any event, exceed 60% of the gross annual salary (maximum for the achievement of 150% of the objectives). This variable remuneration shall be paid once per year, after validation of the Company's budget year, *i.e.* at the latest in January every year.

Terms:

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

3. Agreement concluded with three members of the Board of Directors: benefiting from personal insurance and medical expenses schemes applicable to the Company

Persons concerned:

- Xavier Guichard;
- Brigitte Auffret;
- Pierre-Olivier Brial.

Nature and subject:

Your Board of Directors authorised Xavier Guichard, Brigitte Auffret and Pierre-Olivier Brial, in the capacity as Corporate Officers assimilated to management level employees, to benefit from the Group personal insurance and medical expenses schemes applicable to the Company.

Terms:

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

4. Agreement concluded with one members of the Board of Directors: benefiting from personal insurance and medical expenses schemes applicable to the Company

Person concerned:

Jean-Pierre Guichard.

Nature and subject:

Your Board of Directors authorised Jean-Pierre Guichard, in his capacity as Corporate Officer assimilated to management level employees, to benefit from the Group personal insurance and medical expenses schemes applicable to the Company.

Terms:

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

5. Authorisation of a loan agreement, to the benefit of the Inter-Company Restaurant Association at the Manutan European Centre

Nature and subject:

On 12 September 2013, the Board of Directors authorised *a posteriori* your Company to grant on 31 March 2012, a free loan, of an amount of $\[\le 946,894.50 \]$ (nine hundred and forty six thousand eight hundred and ninety four euros and fifty cents) for a term of 10 (ten) years, to its subsidiary "Inter-Company Restaurant Association of the Manutan European Centre", in order to finance the installation of furniture, with the exclusion of any other use.

The reimbursement of this loan has given rise to a schedule of payments, by constant annuities over ten years, payable until 31 March 2022.

Terms:

On 30 September 2014, the remaining amount to be reimbursed under the terms of this loan was €757,515.40.

6. Agreement concluded with the company Manutan NV (Belgium): brand licensing agreement

Persons concerned:

- Brigitte Auffret;
- ▶ Pierre-Olivier Brial.

Nature and subject:

On 1 July 2002 the Supervisory Board authorised your Company to retroactively grant a brand license for the brand Manutan to its subsidiary Manutan NV in Brussels for a term of ten years from 1 October 2000, renewable by tacit agreement.

In consideration for the operation of this license, the company Manutan NV undertakes to pay to your Company an annual fee of 1.5% of the turnover before tax.

During the meeting on 12 September 2013, the Board of Directors authorised the renewal of this brand licensing agreement for a term of three years, under the same conditions until 30 September 2016.

Terms:

The amount of the fee invoiced to the subsidiary Manutan NV for the financial year ended 30 September 2014 amounts to €542,820.

Agreements and commitments approved during previous financial years not performed during the financial year ended

We were also informed of the continuation of the following agreements and commitments, previously approved by the General Meeting during previous financial years, that have not been performed during the financial year ended.

7. Renewal of the commitment regarding the end-of-service bonus for Brigitte Auffret, which may be payable due to termination of the employment contract, and the related conditions of performance

Person concerned:

Brigitte Auffret.

Nature and subject:

Taking into account the renewal, by the Board of Directors during the session on 19 March 2013 of the appointment of Brigitte Auffret as Deputy General Manager, your Company has renewed the commitment regarding the end-of-service bonus that may be paid due to termination of her employment contract, as well as the related performance conditions.

As such, the contractual end-of-service bonus under the terms of the employment contract of Brigitte Auffret is as follows:

"in the event of dismissal (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 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 shall be governed by the social and fiscal rules applicable at the time of its payment."

The payment of the above mentioned compensation is conditional on the achievement of the following performance conditions:

- average current operating profit 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 income over the past three financial years preceding the notification of the termination of the employment contract.

These two cumulative conditions shall be based on the consolidated turnover of the 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.

8. Agreement concluded with a member of the Board of Directors: suspension of an employment contract

Person concerned:

Xavier Guichard.

Nature and subject:

Your Company suspended the employment contract of Xavier Guichard, in his capacity as a Corporate Officer.

The suspension of the employment contract shall take effect for the full term of the appointment of Xavier Guichard as Deputy General Manager, from the day of the signature of said suspension agreement.

In the event of the renewal or the termination (regardless of the cause or the initiating party) of his appointment as Deputy General Manager, or any other executive appointment, in particular as General Manager, assigned by the company Manutan International, the existing employment contract between the company Manutan International and Xavier Guichard shall immediately return to effect.

Special report of the Statutory Auditors on regulated agreements and commitments

Xavier Guichard shall once again assume his previous function as Executive Manager or, if this position is not vacant, a position that is at least equivalent in terms of qualification and level of responsibilities within said Company or another company of the Manutan Group, in France. In the latter case, the company Manutan International shall guarantee that the new employer shall replicate the undertakings in the agreement to the benefit of Xavier Guichard.

He shall receive an annual remuneration of an equivalent amount to the last annual remuneration (fix, bonus and advantages in kind) granted under the terms of his corporate office.

The full duration of the period of the suspension of the employment contract of Xavier Guichard, due to his appointment, shall be taken into account in the calculation of his seniority in the Company.

Terms:

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

9. Agreement concluded with a member of the Board of Directors: suspension of an employment contract

Person concerned:

Brigitte Auffret.

Nature and subject:

Taking into account the change in the way the Company is administered, and the resulting end of the mandate as member of the Management Board and General Manager of Brigitte Auffret, and her appointment as Deputy General Manager, your Company has signed an amendment to the agreement to suspend the employment contract of Brigitte Auffret, member of the Board of Directors and Deputy General Manager, with regard to her employment contract as Group Administrative and Finance Director, concluded on 1 April 2008, the principle conditions of which are as follows:

- The suspension of the employment contract shall take effect for the full term of the appointment of Brigitte Auffret as Deputy General Manager, from the day of the signature of said suspension agreement.
- In the event of the renewal or the termination (regardless of the cause or the initiating party) of her appointment as Deputy General Manager of the company Manutan International, or any other executive appointment, assigned by the Board of the company Manutan International, the existing employment contract between the company Manutan International and Brigitte Auffret shall immediately return to effect.
- Brigitte Auffret shall once again assume her previous function as Group Administrative and Finance Director or, if this position is not vacant, a position that is at least equivalent in terms of qualification and level of responsibilities within said Company or another company of the Manutan Group, in France. In the latter case, the company Manutan International shall guarantee that the new employer shall replicate the undertakings in the suspension agreement to the benefit of Brigitte Auffret.
- She shall receive an annual remuneration of an equivalent amount to the last annual remuneration (fix, bonus and advantages in kind, with the exclusion of GSC) granted under the terms of her corporate office.
- The full duration of the period of the suspension of the employment contract of Brigitte Auffret, due to her mandate, shall be taken into account in the calculation of her seniority in the Company.

Terms:

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

Marcq-en-Barœul, 29 January 2015

Courbevoie, 29 January 2015

The Statutory Auditors

KPMG Audit

A Division of KPMG SA

Laurent Prévost

Partner

Mazars

Simon Beillevaire

Partner



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Acquisition of Ikaros

Highlights

The Manutan Group acquired 100% of the shares in Ikaros Cleantech AB, 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.

Simplification of Group organisational structure

On 1 October 2013, NV Manutan and Overtoom International Belgium NV merged. As part of this transaction Manutan International transferred its shares in Manutan to Overtoom International Belgium NV. The new entity thus formed is now called Manutan NV.

The merger of the two Dutch holding companies, Manovert BV and Overtoom International BV, also took place on 1 October 2013. The new entity thus formed is now called Manovert BV

These transactions took place as part of the drive to simplify the Manutan Group's organisational structure and thus gain operational efficiency.

Group information system

During the year, the roll-out of the Group Information System was launched. The Belgian, Italian, Portuguese, Swiss, German and Spanish subsidiaries now have a new and more effective information system.

Harmonisation of the offering

The harmonisation of the customer offering at European level was set in train with the launch of a common offering for the Southern countries (France, Italy, Portugal and Spain) and the Central ones (Switzerland , Germany, the Netherlands and Belgium).

More than 80% of common products are now available from all the various distribution channels (paper, Internet and e-business solutions).

Change of brand in the Netherlands and for local authorities

A new identity was rolled out for local authorities: Camif Collectivités is now Manutan Collectivités. In the Netherlands, Overtoom International Nederland BV became Manutan BV. A communication campaign was carried out in order to inform our customers and our employees of these changes.

Manutan Group results and outlook

Operating profit and net income both up

The acquisitions carried out in the preceding years enabled Manutan to boost its sales. Thanks to its ability to adapt, the Group once again stood up well in the face of the current economic situation, while at the same time maintaining its profitability. For 2014/2015, the Group will continue to pay close attention to how the business evolves. It will continue its efforts to increase sales in the short and medium term, while at the same time going ahead with its planned capital expenditure, notably on its information systems.

Sales boosted by acquisitions

The Group's activity grew by 0.8% relative to financial year 2013/2014, mainly on the back of the recent acquisitions (Ikaros and IronmongeryDirect). Organically (i.e. not counting these acquisitions), and at constant exchange rates, activity was down by 5.9% compared with the first half of the previous year.

The figures for organic growth confirm the persistence of tensions in Europe affecting all the Manutan Group's

- ▶ First quarter (October to December 2013): up by 1% (as against an increase of 5% in 2013), down by 5.3% organically and at constant exchange rates.
- Second quarter (January to March 2014): up by 4.2% (as against an increase of 4.2% in 2013), down by 4.0% organically and at constant exchange rates.
- ▶ Third quarter (April to June 2014): up by 0.7% (as against an increase of 1.7% in 2013), down by 7.7% organically and at constant exchange rates.
- ▶ Fourth quarter (July to September 2014): up by 2.4% (as against an increase of 7.9% in 2013), down by 6.0% organically and at constant exchange rates.

However it should be noted that, with the exception of the Southern region, all markets posted positive growth in the last quarter of the financial year 2013/2014.

Clear improvement in trading margin

The trading margin increased to 38.8% of sales, compared with 38.1% for the previous financial year. This change was due mainly to movements in the margin on local authorities and the accretive effect of the acquisitions.

Operating profitability maintained

Current operating profit for the year was down by 2.9% at €39.9 million, compared with €41.1 million the previous year. The improvement in the trading margin was not enough to offset the exceptional and non-recurring expenses associated with the change of brand in the Benelux and in the Local Authorities division. Current operating profit amounted to 6.8% of sales, as against 7.0% the previous year, and this in spite of a 6.1% fall in sales for the Group's historical (i.e. pre-acquisition) scope.

After taking account of non-recurring items, which were down significantly, operating profit came to 6.3% of sales, the same percentage as the year before. These nonrecurring items mainly concern restructuring costs.

Net income up

The reduction in the Group's effective tax rate, to 34.0% in 2013/2014 from 35.5% in 2012/2013, arose mainly from differences in tax rates between France and other countries where the Group operates. These differences were greater than in the previous year thanks to the contributions of the companies acquired (IronmongeryDirect and Ikaros). The financial result also shows a decline, due to lower returns on investments.

Thus, in spite of higher taxation in France (increased tax rate and a complementary tax on dividends) and a fall in the rate of return on investments, net income was up by 3.6%, at 4.1% of sales, as against 4% for the previous financial year.

Financial structure and investment policy

The Group's financial solidity: our strong point

Financial structure

Since its foundation, the Group's long-standing philosophy with regard to its financial policy has consisted in financing its operating investments (mainly IT solutions, marketing projects and logistics resources), as well as organic and/or external growth, mainly from internally generated resources.

This policy, together with a controlled management of working capital requirements, ensures that the Group enjoys a sound and lasting financial structure.

However, in order to preserve its investment capacity and the ability to seize opportunities for external growth, the Group has chosen to lease finance its HEQ (High Environmental Quality) European Centre in the \hat{I} le-de-France (Greater Paris) region. Thus, as at 30 September 2014, the Group reported long-term financial debt of \in 36.3 million (down by \in 5.6 million compared with the previous financial year), corresponding mainly to the European Centre, which is shown under Property, plant and equipment on the assets side of the balance sheet.

The Group's financial position remains as sound as ever, since its long-term debt does not amount to more than 7.2% of the balance sheet total, down by 1.3% on the previous year. The ratio of equity to permanent capital thus comes to almost 88%. In addition, the Group has confirmed credit lines from its bankers for a total amount of €65 million. These lines can be drawn on at any time.

Available cash (cash $^{(1)}$ net of short-term financial debt) rose from \in 76 million to \in 79 million, after cash outflows linked to acquisitions and to the financing of the Group's Information System.

This change can be analysed as follows:

- ▶ An increase of 0.5% in the free cash flow, which came to \in 40.6 million.
- A decrease of €0.2 million in working capital requirement, of which:
 - +€4 million in current operating items (inventories, customer receivables and account payables);
 - -€4.2 million in other current items (miscellaneous receivables and payables and taxes).

- A sustained level of capital expenditure in support of the Group's development:
 - investments in intangible assets of €9.2 million, of which €8.5 million for the overhaul of the information systems;
 - investment in property, plant and equipment of €2.9 million, of which €0.9 million for renewing computer hardware, €0.9 million for work on the buildings in Sweden and the Netherlands and €0.5 million for vehicle leasing;
 - acquisition of shares in Cleantech AB for €11.4 million.
- Investment for the three previous years is summarised hereunder:

2012/2013:

- investments in intangible assets of €7.7 million, mainly involving the project to overhaul the information systems;
- investment in property, plant and equipment comprising property and IT infrastructure for €6.5 million, mainly concerning the acquisition of the finance lease contract for Sports et Loisirs;
- acquisition of shares in Sports et Loisirs and IronmongeryDirect Ltd for €17.3 million and €20.4 million respectively.

2011/2012:

- investments in intangible assets of €2 million, mainly involving the project to overhaul the information systems;
- investment in property, plant and equipment comprising property and IT infrastructure for €4 million, mainly concerning the European Centre;
- disposal of the property complex at Rue Planchat in Paris' 20th arrondissement for €2.4 million.

2010/2011:

- investments in intangible assets of €3.7 million, essentially for the project to overhaul the information systems;
- investment in property, plant and equipment comprising property and IT infrastructure for €8.9 million, of which €4.4 million concerning the European Centre property project;

⁽¹⁾ The Group defines its cash as the sum of cash and cash equivalents and investments at less than one year.

- disposal of the property complex of the Group's historical holding company in Paris' 12th arrondissement for €7 million.
- $\,\,$ A $\in\!13.8$ million decrease in financial investments at 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;
- payment of a dividend of €8.6 million in respect of the 2012/2013 financial year, representing a decrease of €0.2 million compared with the previous financial year.

The main investments for the coming year will basically involve the continuation of the project to overhaul our information system.

In short, the Group's financial structure remains sound and robust, enabling it to continue growing, whether *via* IT-related, other investment projects or 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
Bressuire (France)	4,500	Rental	Warehouses
Niort (France)	1,000	Rental	Warehouses
Den Dolder (Netherlands)	30,500	Full ownership	Warehouses & land
Verwood (United Kingdom)	9,100	Full ownership	Warehouses & land
Kemble (United Kingdom)	12,800	Finance lease	Warehouses & land
Basildon (United Kingdom)	4,400	Rental	Warehouses & land
Ostrava (Czech Republic)	28,600	Full ownership	Warehouses & land
Göteborg (Sweden)	9,000	Full ownership	Warehouses & land
Malmö (Sweden)	3,600	Rental	Warehouses & land
Espoo (Finland)	1,200	Rental	Warehouses
Moscow (Russia)	880	Rental	Warehouses

Results by region

Manutan International's earnings up

Manutan International is the holding company at the head of the Manutan Group, and has been listed on the Euronext Paris stock exchange for the past 28 years. As at 30 September 2014, it controlled 25 operating companies, spread over 19 European countries, all applying the same know-how as multichannel distributor to businesses and local authorities.

Its main duties are:

- to define and direct the Group's strategy;
- to create a common dynamic in terms of communications and human resources, affirming itself as an international group:
- to manage the IT, Marketing and Purchasing functions for the Group as a whole;
- to implement and direct Group projects;
- to assist Group companies to realise their objectives, in its capacity as centre of competence;
- to guide and control the Group's operational performance and ensure its financial durability.

During 2013/2014, Manutan International was notably involved in the following operational matters:

- coordination of the Group's University and Sports Centre project;
- coordination of business-wide operational projects: development of the Group purchasing policy and rationalisation of suppliers, development of e-business sales and Key Accounts policy;
- management of the recruitment processes for key Group personnel;
- coordination of the project to harmonise the Group's Customer Offering;
- managing, securing and adapting the cost structure in a difficult economic context;
- redefining risk management and internal control, coordinating with the business plan and the priorities defined with the Audit Committee;
- implementation and monitoring of the Ikaros group and IronmongeryDirect integration programmes;

- following up on the change of brands made for local authorities and the Benelux;
- control of the Group's Information System project, under the aegis of the Group Information Systems Division.

Manutan International's operating profit came to €4.4 million, as against €1.8 million for the previous year, representing an increase of €2.6 million. This reflects the effort made in the area of personnel costs, which at approximately €9.3 million were €1.5 million down on the previous year. However, depreciation and amortisation charges were up by €0.8 million for the period, at €5.3 million, as result of the Group's policy of capital expenditure, essentially on the new information system. During the past year the Group's subsidiaries re-invoiced Manutan International for services rendered totalling €4.1 million, practically unchanged from the previous year, while services provided by Manutan International to Group subsidiaries were remunerated in an amount of €36.9 million, €0.3 million more than in the previous financial year.

Manutan International received €33.9 million in dividends from its subsidiaries, compared with €40.5 million the year before (a reduction of €6.6 million). Apart from this, a negative net change of €0.2 million in additions and reversals to provisions for investment holdings and loans granted was recorded for the financial year. After inclusion of financial income and expense generated by cash managed on behalf of the Group, the financial result came to €29 million.

Finally, after an exceptional charge of $\[\in \]$ 0.3 million, employee profit sharing of $\[\in \]$ 0.4 million and tax of $\[\in \]$ 0.6 million, net profit came to $\[\in \]$ 31.9 million, compared with $\[\in \]$ 36 million for the previous financial year.

Results by region Profitability maintained in a disparate landscape

For easier reading and comparison of the geographical regions' operating performance, the Group presents the operating results of the Southern and Eastern regions

restated to eliminate the Manutan brand royalties paid to Manutan International. Current operating profit corresponds to operating profit before non-current items.

Southern Region

Spain, France, Italy and Portugal

In thousands of euros	2013/2014	2012/2013	Change
Turnover	358,013	378,947	-5.5%
Recurring operating profit (loss)	30,091	32,900	-8.5%
Operating profitability	8.4%	8.7%	
Average headcount	927	961	-3.5%

Profitability maintained in a context of lower levels of activity

First of all, it should be noted that the region has been affected by the merger of Manutan NV and Overtoom International Belgium NV now forms part of the Central region. This transfer had a negative effect of 2.4% on the region's turnover. Leaving this scope effect out of the equation, the region's activity declined by 3.1%.

The trend varied depending on the countries and the brands included in the region:

■ The French market saw its sales fall by 3.6% relative to the previous financial year. It has started to invest in sales teams in order to maintain revenue.

▶ In both Italy and Portugal the dynamic was one of growth, with Italy's sales growing by 10.7% and Portugal's by 5.7%, confirming the pertinence of the investments made in sales resources in the past few years, particularly in Italy.

The regions' sales margin decreased slightly (by 0.3%) to 36.0% of sales (36.0% organically). This decrease is largely due to sales efforts made with a view to gaining new customers.

Thanks to tight control of overheads, which were 27.6% of sales compared with 27.7% for the previous year, the region maintained a profit margin of 8.4% of sales, compared with 8.7% for the previous year. The scope effect is negligible at this level.

Central Region

Germany, Belgium (Overtoom), the Netherlands and Switzerland

In thousands of euros	2013/2014	2012/2013	Change
Turnover	120,557	114,434	5.4%
Recurring operating profit (loss)	6,377	9,508	-32.9%
Operating profitability	5.3%	8.3%	
Average headcount	308	303	1.7%

Ad hoc investment in promotions affecting profitability

Turnover for the region was up by 5.4% compared with the previous financial year. This increase in activity was due solely to the attachment of Manutan Belgique (previously in the Southern Region) to the Central region in the framework of the merger of the two Belgian entities. The scope effect was +8.1%.

The region is currently encountering difficulties in Belgium and in the Netherlands. This is a consequence of the difficult economic situation in the Netherlands and the changes made in Belgium (merger, implementation of an ERP and change of brand name).

The region's result came in at 5.3% of sales as against 8.3%. This deterioration in profitability was partly due to exceptional non-recurring expenses in connection with the change of brand name in the Benelux.

The Group launched a major marketing campaign during the year in the Netherlands, with a dual objective:

- to ensure an effective transition from the Overtoom to the Manutan brand name:
- to boost sales by gaining new market share.

This campaign enabled us to raise the profile of the Manutan brand in the Netherlands, and will lead to increase market share in the medium term.

Lastly, Belgium, Switzerland and Germany successfully rolled out the new Group information system during the year. This change went hand-in-hand with the merger of the two Belgian entities, with the particular objectives of developing sales and operating synergies and simplifying and optimising organisational structures.

Western Region

Ireland, United Kingdom

In thousands of euros	2013/2014	2012/2013	Change
Turnover	83,499	55,697	49.9%
Recurring operating profit (loss)	7,414	4,865	52.4%
Operating profitability	8.9%	8.7%	
Average headcount	288	186	55.0%

Activity and profitability up sharply

The Western region recorded turnover up by 49.9% compared with the previous financial year. This performance was mainly linked to the acquisition of IronmongeryDirect Ltd, which boosted the region's sales with a contribution of $\ensuremath{\mathfrak{C}}31$ million. Organic growth was also on target, at 11.7% in local currency.

Profitability improved for the fifth consecutive year, by 0.2% from last year's figure of 8.7% to 8.9%. This can be explained as the trading margin increased to 40.8% from 39.9% (the scope effect linked to the acquisition of IronmongeryDirect, which has a higher trading margin than the Group's average) coupled with a stable level of operating expenses (31.9% of sales, compared with 31.1%).

The acquisition of IronmongeryDirect has enabled the Group:

- to enrich its offering;
- to gain access to the customer group formed by craftsmen and the construction market;
- to strengthen its positions in the UK, a market in which Manutan was already present with two brands, through its long-standing subsidiary Key Industrial Equipment and Rapid Racking, acquired in 2008.

Northern Region

Denmark, Finland, Norway and Sweden

In thousands of euros	2013/2014	2012/2013	Change
Turnover	40,668	29,007	40.2%
Recurring operating profit (loss)	1,926	2,307	-16.5%
Operating profitability	4.7%	8.0%	
Average headcount	105	69	51.5%

Fall in profitability despite a significant increase in activity in the region

The region posted significant sales growth, of 40.2%. However, this was entirely due to the acquisition of the Ikaros group during the year, without the scope effect of which the region's sales would have been down by 12.5%.

Operational profitability fell by 8% to 4.7%, due in particular to an increase in sales actions aimed at supporting activity in the area.

The Group remains nonetheless confident in the local management's ability to reverse the trend in the medium term. Moreover, the acquisition of Ikaros Cleantech AB, the Scandinavian leader in the sale of environmental protection products, will stimulate growth in the region.

Eastern Region

Hungary, Poland, Czech Republic, Slovakia and Russia

In thousands of euros	2013/2014	2012/2013	Change
Turnover	17,468	17,484	-0.1%
Recurring operating profit (loss)	40	(85)	146.9%
Operating profitability	0.2%	-0.5%	
Average headcount	108	92	17.1%

Revenues up in local currency terms, operating profitability restored

The Eastern region had a good year, posting an almost identical performance to that of the previous year (-0.1%). The adverse exchange effect obscures the region's true performance. In local currency terms, growth for the year was 2.9%. The reorganisation of the local management teams is paying off.

We Note that the region's trading margin deteriorated (35.4% as against 36.4%). This change is explained mainly by the 3% decrease in the margin in the Czech Republic (37.1% compared with 40.1%).

However, operating profitability was restored. This improvement is related to better management of operating expenses, which were reduced by 4.8% for the year.

Other information

Events after the reporting period

There have been no events after the reporting period that would have a material impact on the financial statements as approved.

Research and development activities

The Company does not conduct any research and development activities as such. Nevertheless, its workforce constantly seeks to develop and improve work processes and practices that will have a positive impact on its 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.

Equity investments

On 10 October 2013, the Company acquired the Ikaros group, which specialises in products for environmental protection in the Swedish and Finnish markets.

The acquisition of Ikaros enables the Manutan Group to broaden its offering, and to boost its positions in Scandinavia.

Non-tax deductible and sumptuary expenses

During the past financial year the Company did not commit to, and therefore also did not incur, any of the charges covered by Articles 39-4, 39-5, 54 *quater* and 223 *quinques* of the French General Tax Code, other than depreciation deemed excessive on motor cars used by the Company, in the amount of \in 72,046.

Change in the financial or commercial situation

We hereby declare that there has been no significant change in the Company's financial or commercial situation during the past financial year or thereafter.

Non routine agreements

There are no non routine agreements between a director or shareholder and one of the subsidiaries in which Manutan International has a shareholding greater than 50%.

Financial press release of 15 January 2015

2014/2015 Q1 turnover

 In thousands of euros
 31 December 2014
 31 December 2013

 TOTAL TURNOVER
 155,425
 160,354

During Q1 2014/2015, the Manutan Group's business fell by 3.1% (-3.6% at constant exchange rates) compared to the same period of the previous year. Turnover amounted

to \leq 155.4 million, compared with \leq 160.3 million for the previous financial year.

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

In thousands of euros	Turnover at the end of December 2014	Turnover at the end of December 2013
North	10,361	11,025
Centre	26,694	28,973
East	4,756	4,810
South	90,907	96,214
West	22,709	19,334
TOTAL	155,425	160,354

In local currencies	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	Financial period
North	-1.6%				-1.6%
Centre	-7.9%				-7.9%
East	3.9%				3.9%
South	-5.5%				-5.5%
West	10.2 %				10.2 %
TOTAL GROUP	-3.1%				-3.1%

Most of the Group's operational areas have seen a decrease in their turnover, with the exception of the West zone and the East zone that saw their turnover increase respectively by 10.2% and 3.9% compared with the first quarter of the previous financial year.

The financial situation remains secure, though we need to pay attention to the economic situation, and the Group will continue its efforts to increase turnover in the shortand mid-term.

About the Manutan Group

Manutan is one of the leading European companies in multichannel distribution of equipment for companies and local authorities. Present in 19 countries through 25 operational subsidiaries, the Group is a major player in Europe. In 2013/2014, the Manutan Group generated a turnover of €590 million, 40% of which was outside France.

Manutan International is listed on Euronext Paris – Compartment B – ISIN: FR0000032302-MAN.

www.manutan.com

Next key date: publication of Q2 turnover 2014/2015: 16 April 2015 (after the closing of the markets).

Issuer's risk factors

Risk management policy

The Manutan Group's risk management approach is based mainly on strengthening its internal control environment and the risk measuring tools, as well as optimising the Group's insurance cover. This policy takes the form of various projects placed under the supervision of the internal control function within the Group's Finance Division. Monitoring results of the various projects are 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 Group practices in this area (page 55 *et seq.* of this document).

In accordance with the regulatory framework, the Company carried out a review of the risks that could have a significant negative effect on its business, its financial position or its results (or its ability to achieve its objectives), and considers that there are no significant risks other than those presented.

However, the Manutan Group cannot absolutely guarantee that the risks to which it might be exposed in carrying on its activities in a constantly evolving environment have been entirely eliminated. Nevertheless, it is important to stress that none of the risks identified to date has materialised or poses a threat to the normal conduct of the Group's business, which is carried on in accordance with recognised business practices and the applicable regulatory framework. This is carefully taken into account in Group operating and investment decisions, as well as in the provisioning policy.

Financial risks

Market risks

The Group is not significantly exposed to market risks, given its financial structure and the small portion of its shares traded on the stock exchange (26.49% as at 30 September 2014).

Liquidity risks

The Company has undertaken a specific review of its liquidity risk and considers that it will be able to meet its future maturities.

Indeed, the Group is not significantly exposed to liquidity risks, since cash, net of financial debt, is positive. Apart from this, the Group has put in place a programme of credit lines for €65 million.

The financial debts are subject to the following legal and financial covenants, non-compliance with which would lead to early calling:

- ratio of equity to medium- and long-term financial debt less than 1;
- ratio of net borrowings to free cash flow less than 2.

An analysis of liquidity risks is shown in Note 8.25 on page 114 of the notes to the consolidated financial statements for 2014 (page 91 of this document).

Interest rate risks

The Group's financial policy consists in managing the overall interest rate risks for the Group's net debt, with the main objective of guaranteeing the financial cost of medium-term debt and thus optimising the annual financial cost of the debt.

An analysis of the interest rate risks is shown in Note 8.25 on page 115 of the notes to the consolidated financial statements for 2014 (page 91 of this document).

Exchange rate risks

The Group is exposed to exchange rate risks through its subsidiaries operating outside the euro zone.

The Group pursues a general policy of managing the risks with financial instruments such as forward contracts or options (plain vanilla options, tunnels, etc.) and self-hedging. The majority of the currency hedging contracts have maturities of six months maximum.

An analysis of the exchange risks is shown in Note 8.25 on page 115 of the notes to the consolidated financial statements for 2014 (page 91 of this document).

Stock market risks

The Group's exposure to stock market risks is limited to its holdings of treasury shares in Manutan International, the only Group securities listed on a regulated market.

As at 30 September 2014, the number of treasury shares held was 13,062. They are recognised in consolidated eauity.

An analysis of the stock market risk is shown in Note 8.25 on page 116 of the notes to the consolidated financial statements for 2014 (page 91 of this document).

Customer credit risks

Due to the Group's activity, credit risks are limited, since the portfolio of customer receivables comprises a large number of small accounts spread among several hundred thousand customers. The Group's policy is to check the creditworthiness of all customers wishing to obtain payment terms on credit.

An analysis of the customer credit risks is shown in Note 8.25 on page 116 of the notes to the consolidated financial statements for 2014 (page 91 of this document).

Risks associated with the economic environment

Despite the current general economic situation, the impact of changes in economic conditions from one country to another is alleviated by the breadth of the Group's geographical coverage.

The fact that it is established only in Europe, and the geographical composition of its revenues, allow it to consider its activities as very little exposed to country risks such as political instability, war, etc.

Commodities risks

The Group is not directly exposed to risks relating to changes in commodity prices, but rather indirectly via the products it distributes.

At present, the impact of changes in commodity prices on the Group's operating margin is well under control, as shown by the year's results. In order to limit any impact, the Group's procurement teams pursue a policy of active negotiation with the main suppliers concerned.

It is not appropriate for the Group to hedge this risk with derivative instruments, given the characteristics of its business.

Operational risks

Risks linked to information systems

The rapid development of the new technologies and the gradual migration of Group companies to a unified system (PGI - Progiciel de Gestion Intégré or "Integrated Management Application") expose the Group to several risks: cyber attacks, hacking, technical breakdown leading to non-availability of IT tools, and data theft.

For this reason the Group's Information Systems Division is responsible for securing the networks and systems on the one hand and the applications necessary for the continuity of the Group's business on the other.

Linked with the Group's policies on internal control and security, these risks are the object of functional, technical and legal security measures and controls on the implementation of action plans.

Risk of failure of a transporter

The varied nature of the Group's customers and their geographical locations lead to a great diversity of delivery situations. In the event that one of the Group's transporters were to fail definitively, the consequences of having to replace it would be limited in terms of both cost or delivery times.

In order to control 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 transporters), and a unit dedicated to transport, which among other things provides for a high degree of responsiveness.

Risks relating to competition

The Group faces competition from other groups as regards its acquisition and organic growth policies. Consequently, strategic, commercial and competition-related information, particularly that relating to the Group's structural projects in terms of external or organic growth is highly sensitive.

For this reason the Group has introduced awarenessraising measures regarding confidentiality, the security of intranet sites and access management for its employees.

Risks relating to acquisitions

There are risks in the event of external growth, primarily via acquisitions, including problems with integration, non-realisation of expected gains and synergies, and the departure of key employees. Risks relating to the valuation of assets and 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, notably at the due diligence stage, aim to provide as good an understanding as possible of the uncertainties surrounding these various risks in such cases. The unit in charge of external growth transactions carries out the due diligence, with the support of specialised recognised local advisers.

The resulting assessment depends on the quality of the information provided, and is limited by the legal and regulatory framework applicable under local company 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 combat 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, covering the technical, legal, managerial and organisational fields.

Also, all sensitive sites are covered by protective measures against potential malicious acts, depending on the specific characteristics of the site.

As regards the protection of intangible assets, the Group is continuing its initiatives (see the section "Risks relating to information systems") with the dual goal of preventing any actions originating either from within the Group or from outside it.

Ethical and social risks

Although the Group's activity does not expose it to any major ethical risks, it is highly aware of this aspect of its corporate citizenship. Group companies conduct their ordinary business with all their business partners in compliance with ethical rules and generally accepted good practices.

The Group is not aware of any particular exposure to social risks, other than those that might normally arise in the normal course of business.

Reputational risk

The Group might face a major media event that damages its image. It is exposed to reputational risk particularly whenever its values or operating excellence are called into question (accidents relating to health and/or safety, supplier practices or dispute with a customer).

Such events may lead to a campaign to denigrate the Group. Faced with these risks, the Group does everything it can to prevent operational risks and negative campaigns that could damage its reputation, *via* its policies, organisational structure, procedures and governance.

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. They operate in compliance with relevant local laws, and are even proactive and involved in respecting the environment, as shown by the double HEQ (High Environment Quality) certification of the Group's new European Centre built in Gonesse

The very nature of the Group's activity ensures a limited impact on the environment and the absence of any proven 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, several Group companies with significant operations have obtained quality certification for their distribution and sales processes, among them Manutan France, which in 1996 became the first French distance selling company to be ISO 9001 certified.

Legal risks

The Group's distribution activity (B2B) is subject to laws on distance selling to businesses and local authorities currently in force.

The Group pursues its objective of preventing legal risks by establishing and monitoring Group procedures for defining and allocating the roles and responsibilities of the key executives, 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.

Nor are there currently any government, legal or arbitration proceedings or any proceedings of which the Company is aware that are in suspense or with which it is threatened 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 risks

As part of its policy of managing and financing risks, the Manutan Group and its subsidiaries have notable taken out the following insurance policies:

- Material Damage and Operating Losses;
- Corporate Officers' Civil Liability;
- General Civil Liability: the Group has subscribed insurance covering the financial consequences of the Company's and its subsidiaries' civil liability in respect of damage caused to third parties.

The "Material Damage and Operating Losses" programme provides for the implementation of a master policy and the issue of local policies for the foreign subsidiaries.

The Manutan Group has also put in place a visiting schedule for the risks associated with a "Material Damage

and Operating Losses" insurance programme. In order to better manage these risks, the Group's main sites are periodically visited by a safety engineer. These visits enable an audit to be performed of the vulnerabilities and the corresponding preventive and protective measures to be put in place.

With a view to the effective implementation of its risk management strategy, the Manutan Group takes care to insure itself with top rated creditworthy insurance companies with a strong international reach.

As at 30 September 2014, no accident with a significant financial impact and the consequences of which have not already been included in the financial statements for 2014 had been identified.

Financial statements as at 30 September 2014

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Report of the Statutory Auditors on the consolidated financial statements

Financial year ended 30 September 2014

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 2014 on:

- the audit of the accompanying consolidated financial statements of Manutan International SA;
- 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.

1 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.

2 Justification of our assessments

Pursuant to the provisions of Article L. 823-9 of the French Commercial Code relating 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 to the consolidated 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 appropriate information.

The assessments thus undertaken are within the framework of our consolidated accounts full audit approach, and accordingly contributed to the forming of our opinion as expressed in the first part of this report.

3 Specific verification

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.

Marcq-en-Barœul, 29 January 2015

Courbevoie, 29 January 2015

Mazars

The Statutory Auditors

KPMG Audit

A Division of KPMG SA

Laurent Prévost

Partner

Simon Beillevaire

Partner

Organisational structure as at 30 September 2014 by region

SOUTH

100% Manutan SA	France
100% SCI Philippe Auguste	France
100% Manutan Italia Spa	Italy
100% Manutan Unipessoal Lda	Portugal
100% Manutan SI	Spain
100% Manutan Collectivités SAS	France
100% Sports et Loisirs SAS	France



WEST

M			100%	Key Industrial Equipment Ltd	United Kingdom
A	100%	Manutan Ltd (United Kingdom)	100%	Euroquipment Ltd	United Kingdom
N U		100%	Metro Storage Systems Ltd	Ireland	
T	100%	The Eurostore Group Ltd (United Kingdom)	100%	Rapid Racking Ltd	United Kingdom
A	100%	Group Hardware Ltd (United Kingdom)	100%	IronmongeryDirect Ltd	United Kingdom



CENTRE

		99.15%	Manutan NV	Belgium
		100%	Manutan BV	the Netherlands
100%	Manovert BV (the Netherlands)	100%	Fabritec-Overtoom GmbH	Switzerland
70. 7%	Overtoom International Deutschland GmbH (Germany)	29.3%	Overtoom International Deutschland GmbH	Germany



EAST

Ι.					
N			99.15%	Manutan NV	Belgium
т			100%	Manutan BV	the Netherlands
티	100%	Manovert BV (the Netherlands)	100%	Fabritec-Overtoom GmbH	Switzerland
R N	70.7%	Overtoom International Deutschland GmbH (Germany)	29.3%	Overtoom International Deutschland GmbH	Germany
A i					
I					
O N	100%	Manutan s.r.o.			Czech Republic
A	100%	Trovatar a.s.			Czech Republic
ᅵᅵᅵ	100%	Manutan Polska Sp z.o.o.			Poland
	100%	Manutan Hungária Kft			Hungary
	100%	Manutan Slovakia s.r.o.			Slovakia
	100%	Manutan o.o.o.			Russia



NORTH

		100%	Witre A/S	Norway
100%	100% Witre AB (Sweden)	100%	Witre Danmark A/S	Denmark
		100%	Witre OY	Finland
100%	Ikaros Cleantech AB (Sweden)	100%	Ikaros Finland OY	Finland



Consolidated financial statements

Statement of financial position as at 30 September 2014

ASSETS

In thousands of euros	Notes	30/09/2014	30/09/2013	30/09/2012
Non-current assets				
Goodwill	8.1	97,860	89,724	64,465
Other intangible assets	8.2	32,815	25,724	21,393
Property, plant and equipment	8.2	107,155	113,437	110,348
Investment property	8.4	470	485	480
Non-current financial assets	8.5	980	966	694
Deferred tax assets	8.21	2,823	3,277	3,088
		242,104	233,613	200,468
Current assets				
Inventories	8.6	39,919	36,669	34,497
Trade receivables	8.6	128,691	130,803	126,647
Other receivables and prepaid expenses	8.7	4,789	5,197	3,818
Current tax receivables		3,062	3,476	1,697
Current cash management assets	8.9	12,000	22,000	35,770
Cash and cash equivalents	8.9	70,476	58,179	66,775
Assets held for sale	8.10	0	0	199
		258,936	256,324	269,403
TOTAL ASSETS		501,040	489,937	469,873

EQUITY AND LIABILITIES

In thousands of euros	Notes	30/09/2014	30/09/2013	30/09/2012
Equity				
Share capital		15,227	15,227	15,227
Share premium		5,796	5,796	5,796
Consolidated reserves		301,975	283,411	270,455
Result		24,147	23,277	23,869
Equity attributable to owners of the parent	8.11	347,145	327,711	315,347
Non-controlling interests		105	218	182
Total equity		347,250	327,928	315,529
Non-current liabilities				
Non-current financial liabilities	8.12-8.13	36,280	41,940	44,686
Provisions for employee benefits	8.14	1,990	1,971	1,975
Deferred tax liabilities	8.21	8,183	5,590	4,102
		46,452	49,501	50,764
Current liabilities				
Provisions for other liabilities	8.15	1,720	2,945	2,614
Current financial liabilities	8.12-8.13	9,602	11,618	9,782
Trade payables		64,268	62,618	59,714
Other liabilities and accruals	8.16	30,182	33,495	29,343
Current tax liabilities		1,566	1,831	2,128
		107,338	112,507	103,581
Total liabilities		153,790	162,008	154,344
TOTAL EQUITY AND LIABILITIES		501,040	489,937	469,873

Statement of comprehensive income for the financial year ended 30 September 2014

In thousands of euros	Notes	30/09/2014	30/09/2013	30/09/2012
	8.24		585,646	570.751
Total revenues (excl. tax)	0.24	590,370	•	
Cost of goods sold		(361,084)	(362,561)	(356,492)
Trading margin		229,287	223,085	214,259
Sales and administrative expenses	8.17	(189,396)	(181,982)	(177,407)
Current operating profit	8.24	39,891	41,103	36,853
Other operating income and expenses	8.19	(2,588)	(4,364)	(254)
Operating profit		37,303	36,740	36,599
Financial income	8.20	1,260	1,249	2,243
Financial expenses	8.20	(1,939)	(1,820)	(2,492)
Profit before tax		36,624	36,169	36,350
Tax	8.21	(12,457)	(12,832)	(12,449)
Consolidated net income		24,166	23,337	23,901
Non-controlling interests		(19)	(60)	(32)
Attributable to owners of the parent		24,147	23,277	23,869
Basic earnings per share attributable to owners of the parent, excluding treasury shares (in euros)				
■ basic	8.22	3.18	3.06	3.14
diluted	8.22	3.18	3.06	3.14

Other components of comprehensive income for the financial year ended 30 September 2014

In thousands of euros	Notes	30/09/2014	30/09/2013	30/09/2012
Consolidated net income		24,166	23,337	23,901
Items that cannot be reclassified to profit or loss				
Actuarial differences on employee benefit obligations		(79)	318	(259)
Share-based payments	8.11		0	0
Tax on items that cannot be reclassified to profit or loss		27	(115)	93
Total items that cannot be reclassified to profit or loss		(52)	203	(166)
Items that may be reclassified to profit or loss				
Conversion differences	8.11	3,794	(2,342)	4,365
Net change in fair value of financial instruments ⁽¹⁾		37	66	40
Tax on items that may be reclassified to profit or loss		(14)	(24)	(13)
Total items that may be reclassified to profit or loss		3,817	(2,300)	4,392
Total gains and losses recognised directly in equity		3,765	(2,097)	4,226
Total comprehensive income		27,931	21,240	28,127
Attributable to:				
owners of the Parent;		27,912	21,181	28,095
non-controlling interests		19	60	32

⁽¹⁾ Changes in fair value of the effective portion of the instruments.

Statement of changes in equity for the three years to 30 September 2014

In thousands of euros	Share capital	Share premium	Consolidated reserves	Result	Shares in the consolidating entity	Equity attributable to owners of the parent	Minority interests
At 30/09/2011	15,227	5,796	250,000	28,497	(1,629)	297,892	176
Profit/(loss)							
appropriation of profits			28,497	(28,497)			
profit for the year				23,869		23,869	32
Dividends paid (€1.40 per share)			(10,640)			(10,640)	(26)
Income and expenses recognised directly in 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
Profit/(loss)							
appropriation of profits			23,869	(23,869)			
profit for the year				23,277		23,277	60
Dividends paid (€1.16 per share)			(8,816)			(8,816)	(24)
Income and expenses recognised directly in 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
Profit/(loss)							
appropriation of profits			23,277	(23,277)			
profit for the year				24,147		24,147	19
Dividends paid (€1.13 per share)			(8,588)			(8,588)	(22)
Income and expenses recognised directly in equity			3,765			3,765	
Impact of purchases/sales of treasury shares							
Transactions with non-controlling interests ⁽¹⁾			110			110	(110)
AT 30/09/2014	15,227	5,796	302,939	24,147	(965)	347,145	105

⁽¹⁾ Non-controlling interests in Belgium: following the merger of two Belgian entities, non-controlling interests in the new entity amount to 0.85%.

Consolidated statement of cash flows for the three years to 30 September 2014

In thousands of euros	Notes	2013/2014	2012/2013	2011/2012
Opening net cash and cash equivalents		54,019	64,490	61,984
Operating activities				
Free cash flow	8.23	40,582	40,374	36,680
Change in working capital requirements	8.23	(199)	3,365	(7,324)
Net cash flow from operating activities		40,383	43,739	29,357
Of which interest paid		(1,041)	(1,211)	(1,885)
Of which income tax paid		(10,474)	(14,030)	(12,538)
Investing activities				
Intangible assets acquired	8.2	(9,250)	(7,759)	(1,983)
Property, plant and equipment acquired	8.2	(2,349)	(6,468)	(3,973)
Acquisitions/Disposals of non-current financial assets		212	269	573
Disposals of property, plant and equipment(1)		98	931	2,490
Impact of changes in scope ⁽²⁾		(9,527)	(37,158)	0
Change in payables/receivables relating to non-current assets		(481)	534	(862)
Cash flow used in investing activities		(21,296)	(49,651)	(3,755)
Financing activities				
Dividends paid to shareholders of the parent company		(8,588)	(8,816)	(10,640)
Dividends paid to non-controlling interests		(16)	(24)	(9)
Repayment of financial debts ⁽³⁾		(8,114)	(8,761)	(7,917)
Increase in financial debts		0	0	476
Increase in loans		0	0	(100)
Cash flow used in financing activities		(16,717)	(17,600)	(18,191)
Change in current cash management assets		10,000	13,770	(5,940)
Change in conversion differences		554	(730)	1,035
Change in cash and cash equivalents		12,924	(10,471)	2,506
Closing net cash and cash equivalents		66,943	54,019	64,490
Available Group cash at year-end	8.9	78,943	76,019	100,260
Net cash and cash equivalents		66,943	54,019	64,490
Current cash management assets		12,000	22,000	35,770

 $^{(1) \ \ \}text{Disposals of property, plant and equipment mainly concern the scrapping of computer equipment.}$

⁽²⁾ Acquisition of Ikaros Finland and Ikaros Cleantech.

⁽³⁾ Repayments of financial debts mainly concern the real estate finance lease of the European Centre.

Notes to the consolidated financial statements

Note 1 Reporting entity

These financial statements for the financial year ended 30 September 2014 refer to the consolidated accounts of the Manutan Group. They are presented by Manutan International, a Ltd Company with a Board of Directors,

based at ZAC du Parc des Tulipes, Avenue du 21° Siècle, Gonesse, France. The Group's activity consists of distance selling of industrial and office equipment 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 have been drawn up in accordance with all the 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 17 December 2014, and did not give rise to any comments. They will be submitted for approval to the General Meeting on 12 March 2015.

Note 3 Basis of preparation

The financial statements are presented in euros, rounded to the nearest thousand euros. The euro is the Group's functional and presentation currency.

They have been prepared under the historical cost convention, with the exception of the following assets and liabilities which are measured at their fair value: derivative financial instruments, financial instruments held for trading and financial instruments classed as available for sale.

Non-current assets and groups held for sale are measured at the lower of their carrying amount and fair value minus selling costs.

The accounting methods presented below were applied consistently to all periods presented in the consolidated financial statements.

The accounting methods were applied consistently by all Group entities.

The Group applied the following standards for the first time on 1 October 2013. However, they had no material impact on the Group's annual financial statements:

IAS 19	Employee benefits
Amendment to IFRS 7	Disclosures: offsetting financial assets and financial liabilities
IAS 10	Consolidated financial statements
IAS 12	Disclosures of interests in other entities
IAS 13	Fair value measurement
Transitional provisions	Amendments to IFRS 10 and IFRS 12 – Consolidated financial statements and disclosures of interests in other entities

A certain number of new standards, amendments to standards and interpretations will enter into effect for financial years beginning after 1 January 2014 and have not been early adopted in preparing these consolidated financial statements. The new standards, amendments to standards and interpretations that are relevant for the Group are listed hereunder:

Amendment to IAS 32	Offsetting financial assets and financial liabilities
Amendment to IAS 36	Recoverable amount disclosures for non-financial assets
Amendment to IAS 39 and IFRS 9	Novation of OTC derivatives and continuing designation for hedge accounting

It should be noted that the anticipated effects of draft standards and interpretations currently being studied by the IASB and the IFRIC are not reflected in these financial statements.

Note 4 Estimates and judgements

The preparation of financial statements in accordance with IFRS requires Management to exercise judgement and to make estimates and assumptions which have an impact on the application of accounting methods and on the amounts of assets, liabilities, revenue and expense items. Estimates and underlying assumptions are made on the basis of past experience and other factors considered as reasonable given the circumstances. They thus serve as a basis for exercising the judgement necessary for determining such carrying amounts of assets and liabilities as cannot be obtained directly from other sources. This applies particularly to the valuation of

tangible and intangible assets in the context of impairment tests, the valuation of the amount of provisions for other liabilities, provisions for the impairment of inventories and deferred tax assets. Actual values may differ from these estimated values.

Estimates and underlying assumptions are reviewed on an ongoing basis. The impact of changes in accounting estimates is recognised in the period in which the change is made if it affects that period only, and in the period in which the change is made and in subsequent periods if they are also affected by the change.

Note 5 Significant events

5.1 Acquisition of Ikaros

The Manutan Group acquired 100% of the shares 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, based in Malmo, Sweden, generated revenues of Skr.138 million (\in 16 million) in the financial year to 31 December 2012, and operating profit of around 5% of revenues.

The acquisition of Ikaros Cleantech enables the Manutan Group to broaden its offering, and to boost its positions in Scandinavia.

5.2 Mergers

The two Belgian subsidiaries merged on 1 October 2013. The new entity is called Manutan NV; the absorbing company is Overtoom International Belgium. The merger was carried out without a premium.

The two Dutch subsidiaries merged on 1 October 2013. The new entity is called Manovert BV; the absorbing company is Overtoom International BV. The merger was carried out without a premium.

Note 6 Manutan Group: scope of consolidation

Companies included in the scope are fully consolidated. They apply the same accounting principles ("Group accounting standards") for the recognition and presentation of transactions and similar events.

The consolidation scope is detailed in Note 9, on page 117.

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) 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 profit or loss, unless they correspond to the correction of errors.

7.2 Financial year-end date

The accounts consolidated were those of companies included within the scope with a financial year ended 30 September 2014, with the exception of Manutan o.o.o., whose financial year ends on 31 December, requiring the preparation of special accounts for the period from 1 October 2013 to 30 September 2014.

7.3 Translation of foreign-currency denominated financial statements and transactions

The functional currency of foreign subsidiaries is their local currency.

Consequently the financial statements of foreign companies with a functional currency other than the euro are translated in accordance with the following method:

- balance sheet items are translated using the financial year-end closing rate;
- ▶ income and expenses of foreign companies are translated into euros using the average exchange rate for the financial year, provided this is not distorted by sharp movements in prices.

Translation differences arising on the opening equity and on changes in equity during the year (capital increase, acquisition, etc.) or on income statement items, are recognised in equity and allocated between the part attributable to owners of the parent and that attributable to third parties. 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 as at the year-end date are converted into the functional currency using the exchange rate on that date. Any resulting conversion differences are recognised in profit or loss.

7.4 Goodwill

Goodwill is the difference between the fair value of the consideration paid and the overall estimate of the fair value of the assets and liabilities identified as at the acquisition date.

The fair value of the consideration paid includes discounting the debt to its present value in the event of deferred or staggered payment. Acquisition costs however are recognised as expenses in profit and loss.

Identifiable assets and liabilities at the date of acquisition are valued at their fair value.

The Group performs an impairment test on all goodwill. The recoverable amount is calculated for the cash generating unit (CGU) to which goodwill can be allocated. In the Manutan Group, the five operating regions constitute a CGU since there are synergies among the different entities operating in the same geographical 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 region. 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 measured at their historical acquisition cost, which comprises purchase price plus all necessary costs incurred to bring them into use, less accumulated amortisation and impairment.

Computer software user licences and upgrades are amortised from the date they enter service on a straightline basis for a period of 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 Property, plant and equipment

Property, plant and equipment is measured at historical acquisition cost, which comprises the purchase price plus necessary costs incurred to make them ready for use, minus accumulated depreciation and impairment.

Depreciation is calculated using the straight-line method over the expected useful life of the asset from the date it enters service:

- buildings: from 20 to 30 years for buildings used mainly as warehouses and offices;
- fixtures and fittings: from 10 to 15 years;
- computer hardware: from 3 to 5 years;
- other property, plant and equipment (vehicles, equipment and tool, office furniture and equipment): 5 years.

7.7 Operating 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 profit and loss on a straight-line basis over the period of the lease.

Leases of fixed assets in which the Group bears substantially all the risks and rewards inherent in ownership are classified as finance leases. Finance leases are capitalised as assets at the lease's commencement at the fair value of the leased asset. Each payment made under the lease contract is allocated between finance charges and principal reduction.

Fixed assets acquired within this framework are depreciated over their useful lives.

7.8 Investment property

Investment property 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 property is presented on a separate line in the Balance Sheet. It is valued at the lower of depreciated historical cost or market value.

7.9 Trade and other 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.

Provisions is made 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 measured using the weighted average unit cost (WAUC) method at the lower of their acquisition cost or net realisable value. Acquisition cost comprises the purchase price and related expenses (freight, packaging and other direct expenses).

In determining the net realisable value, particular account is taken of 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 under current financial asset or liabilities. They are subsequently measured again at fair value at each closing of the accounts. The method for recognising associated gains or losses depends on whether or not the derivative is designated as a hedging instrument, and, where applicable, on the nature of the hedged item.

The Group thus distinguishes between:

- fair value hedges of recognised assets or liabilities or firm commitments. Gains and losses measured on derivatives, and on hedged instruments, are recognised in profit and loss as financial income/expenses for the effective portion of the hedge. The same applies to the non-effective portion;
- hedging of risks specific to recognised assets or liabilities, or highly probable future transactions, is also referred to "cash flow hedges". Changes in the fair value of the effective portion of the hedge are recognised directly in equity. Gains and losses on the non-effective portion are recognised in profit and loss under other income/expenses;
- hedges of net investments in foreign operations. The recognition of changes in fair value follows the same rules as that of changes in cash flow hedges.

Changes in the fair value of derivatives that do not meet the conditions of hedge accounting or have not been designated as such are recognised in profit and loss under financial income/expenses.

In accordance with IFRS 7, the determination of the fair value of financial asset and liability instruments can be defined as follows:

- by reference to a quoted price in an active market, where one exists; this fair value is ranked under Level 1, as specified by the standard;
- by the use of a valuation based on a model that factors in observable data for unlisted instruments such as 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 comprises 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 shown under "current cash management assets".

Nonetheless, in order to ensure that its resources are fully appreciated, the Group considers that its total available cash effectively comprises the sum of the balance sheet items "Cash and cash equivalents" and "current cash management assets".

An analysis in this regard is presented alongside the "Cash flow statement" and in Note 8.9 "Cash and cash equivalents" on page 103.

7.13 Assets and liabilities held for sale

The Group has to classify a non-current asset sold individually (or a group of current and non-current assets and liabilities in the context of the disposal of an activity) as being held for sale if the company intends to recover their value by selling the assets rather than through their operating use.

These assets and liabilities are classified and presented on a separate balance sheet line when the following essential conditions are met:

- a disposal plan is ongoing;
- the assets and liabilities are available for sale in their current state:
- the sale is likely to go through within a reasonable time

Non-current assets held for sale are valued at the lower of amortised historical cost and market value (being fair value less selling costs).

7.14 Share subscription or purchase option

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 "Share-based payments" 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 profit or loss.

Defined contribution plans

For defined contribution plans (such as the French contributory plan), charges relating to the contributions are expensed during the financial year in the income statement. These plans involve no subsequent obligation 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 are subjected 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 recognises actuarial gains and losses directly in equity.

7.16 Revenue

Revenue comprises the sale of products and related services, such as transport, mounting, etc.

Revenue is recognised on the date on which the risks and benefits associated with the product sold are transferred. In addition, the implementation of a strict credit management policy enables the Group to ensure upstream that no sale will be made if collection is doubtful.

7.17 Product returns

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 as and when incurred. In particular, catalogue production costs are expensed on the date that the printers make them available.

7.19 Other operating income/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 in the impairment of financial assets;
- income associated with cash and cash equivalents;
- income associated with the discounting to present value of assets and liabilities;
- foreign exchange gains on unhedged items.

Financial expenses comprise:

- interest expense on borrowings and bank overdrafts;
- the cost of ineffective portions of currency hedging transactions;
- losses on disposals and changes in the impairment of financial assets:
- charges associated with the discounting to present value of assets and liabilities;
- exchange losses.

7.21 Taxes

Income tax (expense or income) comprises the tax expense (or income) payable and the deferred tax expense (or income). Tax is recognised in profit or loss unless it relates to items recognised directly in equity, in which case it is recognised in equity.

Tax payable

Tax payable is the amount of tax due 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 balance sheet approach with variable deferrals applied for all temporary differences between the carrying amount of assets and liabilities and their tax bases. The measurement of deferred tax assets and liabilities is based on the method that the Group expects to use to recover or adjust the carrying amount of assets and liabilities, using the tax rates adopted at financial year-end.

A deferred tax asset is recognised only if it appears likely to be recovered in a reasonable time-frame, 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.

The effect on previously recognised deferred tax assets of any changes in the rates of taxation is recognised in profit or loss, unless the effect relates to an item recognised directly in equity, in which case the effect is recognised in equity.

Deferred taxes are presented in the balance sheet separately from current tax assets and liabilities and classified as non-current items.

Manutan International heads a tax grouping which includes Manutan France and Manutan Collectivités, pursuant to Article 223-A of the French General Tax Code.

7.22 Earnings per share

Earnings per share are calculated on the basis of net income of the consolidated group attributable to owners 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 treasury stock.

7.23 Sector information

All Group companies carry on the same business in the countries where they are located. Accordingly there is only one sector of activity.

The regions used correspond to the operating regions established in the financial year, which reflect the geographical location of the Group's 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-regional 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 regions.

Accordingly, the Group communicates in terms of five operational regions, which consist of the following countries:

- ▶ North: Sweden, Norway, Denmark, Finland;
- Centre: Belgium, the Netherlands, Germany, Switzerland;
- East: Czech Republic, Poland, Slovakia, Hungary, Russia;
- South: France, Italy, Portugal, Spain;
- West: United Kingdom, Ireland;
- Others: holding companies and elimination of interregional transactions.

The accounting principles and practices used to present the sector results and assets are the same as those used for the Group. Manutan brand royalties collected by Manutan International from the South and East regions are offset under "Others" in order to improve the comprehension of operating performance and facilitate comparison between regions.

Note 8 Notes to the consolidated financial statements

8.1 Goodwill

In thousands of euros	Acquisition date	30/09/2013	Acquisition Addition	Disposal Decrease	Exchange rate movements	Reclassification	30/09/2014
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)	29,000			2,160		31,160
IronmongeryDirect CGU	12/07/2013	16,830	$(1,758)^{(3)}$		1,123		16,195
East CGU	(2)	1,933					1,933
Ikaros CGU	10/10/2013	0	6,984		(373)		6,611
TOTAL		89,724	5,226	0	2,910	0	97,860

- (1) Two transactions which took place during financial years 1998/1999 and 2007/2008.
- (2) Three transactions which took place during financial years 1998/1999, 2000/2001 and 2004/2005.
- (3) Allocated to the acquisition price of IronmongeryDirect, acquired in 2013.

Impairment tests were carried out on these goodwill items at year-end in accordance with the following methods:

At 30 September 2014, 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 rates applied in 2013/2014 were 6.4% for the Centre CGU, 6.5% for the West CGU and 7.1% for the East CGU. The rates applied in 2012/2013 were 6.5% for the Centre CGU, 6.5% for the West CGU and 6.2% for the East CGU.

The Group has performed sensitivity tests on reasonably possible changes in the key assumptions (revenue growth rate, gross margin and discount rate) involving changes of plus or minus 1% (individually and as an aggregate). These sensitivity tests have not revealed any likely scenario that would result in an impairment of goodwill.

During the year, the goodwill relating to Ironmongery Direct, acquired on 30 September 2013, was allocated, and the Group acquired the Ikaros group.

Goodwill in respect of IronmongeryDirect

Pursuant to IFRS 3 relating to business groupings, the assets and liabilities have been measured at fair value.

The IronmongeryDirect brand is currently valued at €2,283,000. Goodwill calculation is adjusted as follows:

In thousands of euros	Net carrying amount	Value adjustment	Fair value recognised at the time of acquisition
Cost of acquiring the shares	20,332	0	20,332
Non-current assets	1,910	2,283	4,193
Of which IronmongeryDirect brand		2,283	
Current assets	6,645	0	6,645
Non-current liabilities	(209)	(525)	(734)
Of which deferred tax liabilities		(525)	
Current liabilities	(4,844)	0	(4,844)
GOODWILL	16,830	1,758	15,072

The remaining €15.1 million consists mainly of the expertise and know-how of IronmongeryDirect, and of the market share obtained.

Since the beginning of the financial year Ironmongery Direct has contributed €2.8 million to the Group's consolidated net income and €31.5 million to consolidated revenues.

Goodwill in respect of Ikaros Cleantech

On 1 October 2013 the Group acquired 100% of the shares of Ikaros Cleantech in Sweden.

Pursuant to IFRS 3 relating to business groupings, the assets and liabilities have been measured at fair value.

The value of Ikaros Cleantech identifiable assets and liabilities and definitive goodwill as at acquisition date is summarised hereunder:

In thousands of euros	Net carrying amount	Value adjustment	Fair value recognised at the time of the acquisition
Cost of acquiring the shares	11,381	0	11,381
Non-current assets	449	2,044	2,493
Of which Ikaros Cleantech brand		2,044	
Current assets	6,001	0	6,001
Non-current liabilities	(819)	(531)	(1,350)
Of which deferred tax liabilities		(531)	
Current liabilities	(2,747)	0	(2,747)
GOODWILL	8,497	(1,513)	6,984

The remaining €6.9 million consists mainly of market share acquired and the management's expertise and know-how.

Since the beginning of the financial year Ikaros Cleantech has contributed epsilon 0.8 million to the Group's consolidated net income and epsilon 15.3 million to consolidated revenues.

8.2 Non-current assets

Other intangible assets

Amortisation of intangible assets is recognised in current operating profit and loss.

CHANGES IN THE 2013/2014 FINANCIAL YEAR

In thousands of euros	30/09/2013	Acquisition Addition	Acquisition by means of business combination	Disposal Decrease	Reclassifications	Exchange rate movement	30/09/2014
Gross values							
Trademarks			4,327			125	4,452
Software	49,667	215		(93)	6,253	(111)	55,931
Fixed assets in progress	11,036	8,522			(4,423)	(6)	15,129
Other	4,013	513	0	(2)	(1,830)	(18)	2,676
Total	64,716	9,250	4,327	(95)		(10)	78,189
Amortisation							
Trademarks							
Software	(36,735)	(6,224)		92	(1,469)	96	(44,239)
Fixed assets in progress							
Other	(2,257)	(367)		2	1,469	19	(1,135)
Total	(38,992)	(6,591)		94	0	115	(45,374)
NET VALUES	25,724	2,660	4,327	(1)	0	105	32,815

Fixed assets in progress consist basically of capital expenditure on the Group's information system.

Trademarks are linked to the acquisition of IronmongeryDirect and Ikaros (see Note 8.1 on page 97).

CHANGES IN THE 2012/2013 FINANCIAL YEAR

In thousands of euros	30/09/2012	Acquisitions Increase	Acquisition by means of business combination	Disposal Decrease	Reclassification	Exchange rate movement	30/09/2013
Gross values							
Software	51,591	695		(2,817)	287	(89)	49,667
Fixed assets in progress	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)		(114)	64,716
Amortisation							
Software	(34,692)	(4,936)		2,817		76	(36,735)
Fixed assets in progress							
Other	(559)	(364)	(1,354)			20	(2,257)
Total	(35,251)	(5,300)	(1,354)	2,817		96	(38,992)
NET VALUES	21,393	2,458	1,891			(18)	25,724

Property, plant and equipment

CHANGES IN THE 2013/2014 FINANCIAL YEAR

In thousands of euros	30/09/2013	Acquisitions Additions	Acquisitions via business combinations	Disposal Reversals	Reclassifications	Exchange rate movement	30/09/2014
Gross values							
Land	20,110				0	(64)	20,046
Buildings	109,046	61			0	(165)	108,943
Fixtures and fittings	25,587	1,315	20	(179)	920	423	28,086
Computer hardware	16,635	850	105	(371)	358	133	17,710
Other property, plant and equipment	7,335	640	334	(859)	(1,260)	(35)	6,154
Total	178,714	2,866	458	(1,409)	18	293	180,939
Depreciation and impairment							
Land							
Buildings	(34,664)	(4,680)			405	62	(38,878)
Fixtures and fittings	(12,713)	(2,033)	(15)	142	(905)	(272)	(15,797)
Computer hardware	(13,286)	(1,546)	(78)	368	0	(95)	(14,636)
Others	(4,614)	(969)	(150)	755	482	22	(4,473)
Total	(65,276)	(9,229)	(242)	1,265	(18)	(283)	(73,784)
NET VALUES	113,437	(6,364)	216	(144)	0	10	107,155

The Manutan Group is financing the Manutan HEQ (High Environmental Quality) European Centre project via a twelve years finance lease. The property complex is recognised under Property, plant and equipment for a

gross total 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.

CHANGES IN THE 2012/2013 FINANCIAL YEAR

In thousands of euros	30/09/2012	Acquisition Addition	Acquisition by means of business combination	Disposal Decrease	Reclassification	Exchange rate movement	30/09/2013
Gross values							
Land	19,345		901		0	(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
Other property, plant and equipment	5,887	310	2,060	(704)	(179)	(38)	7,335
Total	163,743	6,694	11,159	(1,615)	0	(1,267)	178,714
Depreciation and impairment							
Land							
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

8.3 Finance leases

The substance of Group leasing contracts has been analysed. The following amounts, corresponding to finance leases, are included in the amounts in the Property, Plant and Equipment table of the previous Note:

In thousands of euros	30/09/2013	Acquisition Addition	Acquisition by means of business combination	Disposal Decrease	Reclassification	Exchange rate movement	30/09/2014
Gross values							
Land	13,146				0		13,146
Buildings	72,145				0	360	72,505
Fixtures and fittings	303					(20)	284
Computer hardware	976			(18)	0	6	964
Other property, plant and equipment	1,502	518		(541)		(8)	1,471
Total	88,072	518		(559)	0	338	88,369
Depreciation							
Land							
Buildings	(10,520)	(3,386)			0	(279)	(14,186)
Fixtures and fittings	(561)		232			20	(310)
Computer hardware	(976)			18		(6)	(964)
Other property, plant and equipment	(900)	(418)		497		4	(818)
Total	(12,957)	(3,804)	232	515	0	(262)	(16,277)
NET VALUES	75,114	(3,287)	232	(44)	0	76	72,092

8.4 Investment property

In thousands of euros	30/09/2013	Acquisition Addition	Acquisition by means of business combination	Disposal Decrease	Reclassification	Exchange rate movement	30/09/2014
Investment property	1,530				0	107	1,637
Depreciation of investment property	(1,045)	(44)			0	(78)	(1,167)
Net investment property	485	(44)			0	29	470
Non-current assets held for sale							
TOTAL	485	(44)			0	29	470

Investment property comprises:

- an unused plot of land (12,400 m²) owned by Key Industrial Equipment. Estate agents have estimated the market value of this land at €1,854,000;
- part of the office facilities (2,628 m²) owned by Key Industrial Equipment and rented out to two third-party companies. Estate agents have estimated the market value of this part of the property at €1,675,000;
- 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 other property, plant and equipment.

Rental income amounted to $\le 395,000$ over the financial year and there were no major operating expenses relating to the property.

8.5 Non-current financial assets

In thousands of euros	30/09/2013	Acquisition Addition	Acquisition by means of business combination	Disposal Decrease	Reclassification	Exchange rate movement	30/09/2014
Gross values							
Other non-current financial assets	966	0	235	(213)		(8)	980
Total	966	0	235	(213)		(8)	980
Amortisation							
Other non-current financial assets							0
Total							0
NET VALUES	966	0	235	(213)		(8)	980

Disposals/decreases primarily correspond to the repayment of guarantee deposits to Sports et Loisirs.

The movements are due to the acquisition of Ikaros Cleantech (€197,000) and Ikaros Finland (€37,000).

8.6 Operating assets

Inventories

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Gross values	42,730	40,024	36,960
Provisions ⁽¹⁾	(2,811)	(3,355)	(2,463)
NET VALUES	39,919	36,669	34,497

⁽¹⁾ The change in provisions for inventory writedowns between 30 September 2013 and 30 September 2014 is due to an increase of €582,000 a decrease of €1,158,000 and exchange rate movements of €32,000.

Trade receivables

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Gross values	132,751	134,093	129,786
Provisions ⁽¹⁾	(4,061)	(3,290)	(3,139)
NET VALUES	128,691	130,803	126,647

⁽¹⁾ The change in provisions for customer receivables between 30 September 2013 and 30 September 2014 is due to an increase of €1,018,000, a decrease of €243,000 and negative exchange rate movements of €4,000.

Ageing of customer receivables:

2013/2014 FINANCIAL YEAR

In thousands of euros	Total receivables	-3 months	+3 months -6 months	+6 months -1 year	+1 year
Gross values	132,751	120,585	4,283	4,223	3,661
Provisions	(4,061)	(388)	(440)	(857)	(2,375)
TOTAL NET VALUES	128,691	120,197	3,843	3,365	1,286

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

Note 8.25, beginning on page 114, 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	30/09/2014	30/09/2013	30/09/2012
Prepaid expenses	4,569	4,572	3,627
Receivables relating to non-current assets			
Other receivables	220	625	191
TOTAL	4,789	5,197	3,818

8.8 Fair value of financial instruments and other financial assets

The table below provides a comparison of the value of the financial assets recognised in the balance sheet with their fair value.

	Carrying amount			sets valı t fair val			ssets he til matur		Loans	and rece	ivables	ı	air value	е	
In thousands of euros	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012
Non-current financial assets (Note 8.5)															
Loans, guarantees and other receivables	980	966	694							980	966	694	980	966	694
Current financial assets															
Current cash management assets	12,000	22,000	35,770				12,000	22,000	35,770				12,000	22,000	35,770
Cash and cash equivalents (Note 8.9)	70,476	58,179	66,775	70,476	58,179	66,775							70,476	58,179	66,775
TOTAL ASSETS	83,457	81,150	103,239	70,476	58,179	66,775	12,000	22,000	35,770	980	966	694	83,457	81,145	103,239

8.9 Cash and cash equivalents

Cash and cash equivalents comprise:

- cash in hand;
- cash equivalents, i.e. short-term, highly liquid deposits easily convertible into a known amount of cash and subject to negligible risk of value impairment. They comprise liquid securities and accounts and term deposits with maturities of less than three months;
- balances relating to temporary bank overdrafts and associated accrued interest.

At 30 September 2014, 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 considers its total available cash as effectively comprising the balance sheet aggregates "Cash and cash equivalents" and "current cash management assets", i.e. with maturities of between three and twelve months.

The net financial balance is therefore calculated as the difference between net cash plus "current cash management assets" and financial debt:

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Bank current account balances	53,001	43,199	36,347
Marketable securities ⁽¹⁾	17,266	14,743	29,988
Deposits ⁽²⁾	208	237	441
Total cash assets	70,476	58,179	66,775
Bank overdrafts	3,532	4,160	2,286
Net cash position	66,944	54,019	64,490
Current cash management assets	12,000	22,000	35,770
Total available cash	78,944	76,019	100,260
Financial debts (8.13)	42,328	49,331	52,068
NET FINANCIAL BALANCE	36,615	26,688	48,191

- (1) Level 1 fair value; see Note 7.11, on page 94.
- (2) Level 2 fair value; see Note 7.11, on page 94.

8.10 Assets held for sale

The premises of Manutan NV in Brussels were sold during the 2013 financial year. The Group had no further assets held for sale as at 30 September 2014.

8.11 Changes in Group equity

Changes in number of shares

At 30 September 2014 the number of shares was 7,613,291 with a par value of \in 2. There were no changes during the 2013/2014 financial year.

The public holds 26.48% of the share capital.

Treasury shares

The 13,062 treasury shares are charged to Group equity as at 30 September 2014.

Impact of exchange rate fluctuations

Exchange rate fluctuations had the following impacts on Group equity during the financial year:

- a positive net impact of €4,195,000 arising from the difference between closing and opening exchange rates applied to equity excluding profit;
- a negative net impact of €401,000 arising from the difference between closing and average exchange rates applied to the contribution of foreign companies to the consolidated net result.

8.12 Financial liabilities

Breakdown by type of debts

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Borrowings from credit institutions	1,732	1,938	2,250
Owed in respect of finance leases	34,548	40,001	42,436
Non-current financial liabilities	36,280	41,940	44,686
Borrowings from credit institutions	214	1,494	1,985
Owed in respect of finance leases	5,834	5,897	5,397
Bank overdrafts	3,532	4,160	2,286
Financial instruments	22	67	114
Current financial liabilities	9,602	11,618	9,782
TOTAL FINANCIAL LIABILITIES	45,882	53,558	54,468

The Group repaid €8,114,000 in financial debt (including €4,574,000 relating to the property lease for the European Centre) over the financial year.

Breakdown by currency

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Czech koruna	0	0	1
Euro	44,871	52,000	52,454
GBP	1,008	1,533	2,009
HUF	0	0	4
Russian rouble	3	24	0
TOTAL	45,882	53,558	54,468

An assessment of the Group's exposure to foreign exchange risks is provided in Note 8.25 "Financial risk management objectives and policies", on page 114.

Liabilities secured by the pledging of assets

Liabilities secured by the pledging of assets relate to liabilities on leased property capitalised for \leq 40,382,000 as at 30 September 2014.

8.13 Fair value of financial instruments and other liabilities

The table below provides a comparison of the value of the financial liabilities recognised in the balance sheet with their fair value:

	Carrying amount			ilities va : fair valı		Supplier and other Liabilities recognis payables at amortised cost		5	l Fair value						
In thousands of euros	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012
Non-current finan- cial liabilities															
Borrowings from credit institutions	1,732	1,938	2,250							1,732	1,938	2,250	1,732	1,938	2,250
Finance leases	34,548	40,001	42,436							34,548	40,001	42,436	34,548	40,001	42,436
Current financial liabilities															
Borrowings from credit institutions	214	1,494	1,985							214	1,494	1,985	214	1,494	1,985
Finance leases	5,834	5,897	5,397							5,834	5,897	5,397	5,834	5,897	5,397
Derivative financial instruments ⁽¹⁾	22	67	114	22	67	114							22	67	114
Trade liabilities	64,268	62,618	59,714				64,268	62,618	59,714				64,268	62,618	59,714
Other	30,182	33,495	29,343				30,182	33,495	29,343				30,182	33,495	29,343
Bank overdrafts	3,532	4,160	2,286							3,532	4,160	2,286	3,532	4,160	2,286
Other liabilities (provisions and tax)	13,458	12,337	10,820										13,458	12,337	10,820
TOTAL CURRENT AND NON-CURRENT LIABILITIES	153,790	162,008	154,345	22	67	114	94,450	96,113	89,057	45,860	53,490	54,354	153,790	162,008	154,345

⁽¹⁾ Swaps are Level 2 instruments; see Note 7.11 on page 94.

Payment schedule of financial instruments shown as liabilities in the balance sheet

	Balan	ce sheet v	alue		< 1 F			n 1 to 5 ye	ars	> 5		
In thousands of euros	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012	30/09/2014	30/09/2013	30/09/2012
Borrowings from financial institutions	1,946	3,433	4,235	1,178	1,495	1,985	768	1,737	2,250		201	
Finance leases	40,382	45,898	47,833	5,863	5,897	5,397	21,557	22,180	20,577	12,962	17,821	21,859
Financial debts	42,328	49,331	52,068	7,041	7,391	7,382	22,325	23,917	22,827	12,962	18,022	21,859
Derivative financial instruments	22	67	114	22	67	114						
Trade liabilities	64,268	62,618	59,714	64,268	62,618	59,714						
Other	30,182	33,495	29,343	30,182	33,495	29,343						
Bank overdrafts	3,532	4,160	2,286	3,532	4,160	2,286						

8.14 Employee benefits

TOTAL PROVISIONS	1,990	1,971	1,975
Service awards	224	224	234
Pension commitments	1,766	1,747	1,741
In thousands of euros	30/09/2014	30/09/2013	30/09/2012

The estimate of pension commitments at 30 September 2014 was drawn up by an independent actuary, in accordance with the recommendations of IAS 19.

Pension commitment provisions correspond to the contractual commitments of the French companies which envisage making an end-of-service payment to their employees when they retire.

All expenses relating to pension commitments are shown in the "Personnel Costs" item, which is included in the "Sales and Administrative Expenses" line in the income statement, and include an amount of $\[\in \]$ 110,000 for services rendered (2012/2013 : $\[\in \]$ 91,000) and the financial cost of $\[\in \]$ 38,000 (2012/2013: $\[\in \]$ 52,000). The actuarial differences recognised in equity represent a net gain of $\[\in \]$ 79,000.

The main assumptions made in the actuarial calculations are as follows:

Major actuarial assumptions made	30/09/2014	30/09/2013
Discount rate	1.99%	3.24%
Inflation rate	1.50%	2.00%
Average salary increase rate (including inflation)	1.50%	Between 2% and 3%(1)
Age at retirement:		
Executives	65	65
Non-executives	Between 62 and 63	Between 62 and 63

⁽¹⁾ Depending on the socio-professional category.

On 31 December 2007 the pension fund of Overtoom International Nederland was closed. The funds invested and the coverage obligations were transferred to a professional fund, which now manages the employee pension commitments.

Although this fund pays defined benefits to its members, it is accounted for 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 as at 30 September 2014. Lastly, the management of the subsidiary and of the Group checks regularly, and at least once per financial year, to ensure that the fund's assets cover its commitments.

Contributions paid for this fund in respect of the 2013/2014 financial year amounted to epsilon1,457,000.

8.15 Provisions for other liabilities

CHANGES IN THE 2013/2014 FINANCIAL YEAR

In thousands of euros	30/09/2013	Addition	Reversal Provisions used	Reversal Provisions not used	Change through business combination	Exchange rate movement	30/09/2014
Salary disputes	591	212	(190)	0	0	0	613
Product returns	582	2	(84)	0	0	(1)	499
Restructuring	525	125	(525)	0	0	0	125
Legal and tax	0	0	0	0	0	0	0
Financial	106	199	(104)	0	0	0	201
Other risks	1,141	108	(824)	(144)	0	1	281
TOTAL	2,945	646	(1,726)	(144)	0	0	1,720

CHANGES IN THE 2012/2013 FINANCIAL YEAR

In thousands of euros	30/09/2012	Provisions	Reversal Provisions used	Reversal Provisions not used	Change through business combination	rate	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 additions to and reversals of provisions for restructuring during the financial year mainly concern the Centre and South regions.

The reversals of the provisions for "other risks" mainly concern Manutan SA, with the reversal of outstanding rent on the old premises in Gonesse.

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 Other liabilities and accruals

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Suppliers of fixed assets	281	756	306
Tax and social security liabilities	13,660	20,925	17,521
VAT	6,440	4,446	7,522
Credit notes outstanding	916	603	290
Provisions for general expenses	1,830	2,333	2,294
Miscellaneous	7,055	4,432	1,410
TOTAL	30,182	33,495	29,343

As at 30 September 2014, all these liabilities were due at one year or less.

8.17 Sales and administrative expenses

Provisions are shown net of additions, reversals, losses and gains.

Other income and expense also includes gains and losses on ordinary disposals of fixed assets.

Personnel costs include payroll and social security charges, employee profit sharing, the cost of temporary employees, employee benefits and other personnel costs. Personnel costs include employee profit sharing plan contributions, which amounted to €2,068,000 for 2013/2014, €1,858,000 for 2012/2013 and €1,212,000 for 2011/2012.

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Other external purchases	(72,689)	(67,603)	(69,954)
Taxes and duties	(4,801)	(5,011)	(4,585)
Personnel costs	(96,948)	(94,211)	(91,256)
Amortisation and depreciation charges	(15,861)	(15,098)	(13,079)
Additions/Reversals to provisions	852	(690)	1,017
Other income and expenses	50	631	450
TOTAL	(189,396)	(181,982)	(177,407)

8.18 Personnel costs

Composition of average workforce

Composition of workforce	30/09/2014	30/09/2013	30/09/2012
Employees	1,386	1,264	1,220
Executives	448	451	420
TOTAL	1,835	1,715	1,640

Analysis of average workforce by region

Workforce	30/09/2014	30/09/2013	30/09/2012
North	105	70	73
Centre	308	303	324
East	108	92	101
South	927	961	895
West	288	186	160
Other	99	103	87
TOTAL	1,835	1,715	1,640

Men	30/09/2014	30/09/2013	30/09/2012
North	64	36	39
Centre	226	219	228
East	50	43	57
South	396	410	375
West	172	113	99
Other	59	60	48
TOTAL	966	881	846

Women	30/09/2014	30/09/2013	30/09/2012
North	41	33	34
Centre	83	85	96
East	57	49	44
South	531	551	520
West	116	73	61
Other	40	43	39
TOTAL	868	834	794

Changes	Recruitments	Departures
North	39	3
Centre	32	28
East	32	15
South	88	122
West	150	47
Other	26	30
TOTAL	366	246

Analysis of personnel costs

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Employees	(56,712)	(53,843)	(50,650)
Executives	(40,236)	(40,368)	(40,606)
TOTAL	(96,948)	(94,211)	(91,256)

Remuneration allocated in respect of the financial year to the consolidating company's management bodies for their work undertaken for Group companies amounted to €2,034,983 in 2013/2014 and €1,951,126 in 2012/2013.

Attendance fees paid to members of the Board of Directors amounted to \leqslant 96,000 for financial year 2013/2014 and \leqslant 85,700 for 2012/2013.

Turnover per average workforce

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	388	416	431
Centre	391	377	371
East	162	190	198
South	386	394	401
West	290	300	307
GROUP	322	341	348

8.19 Other operating income and expenses

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Property transactions		(328)	1,477
Restructuring costs	(2,334)	(3,041)	(1,935)
Share acquisition expenses	(255)	(995)	204
TOTAL	(2,588)	(4,364)	(254)

Restructuring costs primarily related to changes in the Group's organisational structure.

The share acquisition expenses arose from the acquisition of Ikaros Finland and Ikaros Cleantech.

8.20 Financial income and expenses

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Interest on cash and cash equivalents	463	632	1,261
Foreign exchange gains	703	513	611
Other financial income	94	104	371
TOTAL FINANCIAL INCOME	1,260	1,249	2,243
Gross cost of borrowings	(1,041)	(1,211)	(1,774)
Foreign exchange losses	(898)	(609)	(712)
Other financial expenses	0	0	(6)
TOTAL FINANCIAL EXPENSES	(1,939)	(1,820)	(2,492)

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 acquisitions.

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):

	30/09/2014	30/09/2013	30/09/2012
Statutory income tax rate	38.0%	36.1%	36.1%
Permanent differences impact	2.8%	3.5%	2.0%
Non-capitalised losses	0.2%	0.1%	0.6%
Loss carry-forwards/carry-backs used	0.3%	0.2%	0.0%
Differences in rates of income tax ⁽¹⁾	5.5%	4.6%	4.4%
Tax credit	1.2%	0.4%	0.0%
Tax on dividends	0.7%	0.7%	0.0%
Other permanent differences	0.7%	0.3%	0.0%
EFFECTIVE TAX RATE	34.0%	35.5%	34.3%

⁽¹⁾ 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 the financial year amounts to €12,457,000, comprising €10,694,000 current and €1,763,000 deferred tax expenses.

Source of deferred taxes

In thousands of euros	30/09/2014	30/09/2013
Gross values		
Fixed assets (excluding finance leases)	(56)	(193)
Trademarks	(1,110)	
Inventories	392	376
Customers	245	197
Financial instruments	14	31
Pension provisions	627	703
Other provisions	631	1,088
Finance leases	(5,885)	(4,473)
Tax loss carry-forwards	0	0
Other temporary differences	(218)	(41)
TOTAL	(5,359)	(2,313)
Deferred tax assets	2,823	3,277
Deferred tax liabilities	8,183	5,590
NET DEFERRED TAXES	(5,359)	(2,313)

Bearing in mind the uncertain nature of their recoverability at the date of closing, net tax assets resulting from tax loss carry-forwards, deferred depreciation charges and unrealised long-term capital losses represented a potential asset of the order of €5,615,000 as at 30 September 2014.

Change in net deferred taxes

In thousands of euros	
30/09/2013	(2,313)
Charged to the income statement	(1,763)
Change in scope linked to the allocation of goodwill	(1,248)
Exchange rate movement	(35)
30/09/2014	(5,359)

8.22 Earnings per share

	30/09/2014	30/09/2013	30/09/2012
Net income attributable to owners of the parent (in thousands of euros)	24,147	23,277	23,869
Number of shares outstanding	7,600,229	7,600,229	7,600,229
EARNINGS PER SHARE (in euros)	3.18	3.06	3.14
Dilutive impact of subscription options	0	0	0
DILUTED EARNINGS PER SHARE (in euros)	3.18	3.06	3.14

8.23 Statement of cash flow

Free cash flow

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Consolidated profit for the year	24,166	23,337	23,901
Net amortisation, depreciation and provision charges	15,953	16,124	13,079
Other provisions (net)	505	1,563	973
Proceeds of disposal of assets	(98)	(931)	(2,490)
Carrying amount of assets disposed of	145	281	1,218
FREE CASH FLOW	40,582	40,374	36,680

Changes in working capital requirement

Sources: (+) Applications: (-)			
In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Inventories (net)	(1,598)	6,381	(461)
Trade receivables (net)	6,506	8,643	4,890
Other receivables	(639)	(1,086)	937
Supplier payables (net)	(1,106)	(8,580)	(6,444)
Corporation tax receivables/liabilities	168	(2,682)	(1,761)
Other liabilities	(3,529)	690	(4,484)
CHANGE IN WORKING CAPITAL REQUIREMENT	(199)	3,365	(7,324)
Change in liabilities/receivables in respect of non-current assets	(481)	534	(862)

8.24 Information by sector

Turnover - breakdown by geographical region

In thousands of euros	30/09/2014	Of which inter- region transactions	30/09/2013	Of which inter- region transactions	30/09/2012	Of which inter- region transactions
North	40,668	261	29,007	292	31,268	276
Centre	120,557	14,143	114,434	6,838	120,189	5,774
East	17,468	0	17,484	0	19,996	0
South	358,013	14,940	378,947	2,377	358,819	2,130
West	83,499	489	55,697	414	49,061	401
Other	(29,834)	0	(9,922)	0	(8,581)	0
TOTAL	590,370	29,834	585,646	9,922	570,751	8,581

	30/09/2014	Of which inter- region transactions	30/09/2013	Of which inter- region transactions	30/09/2012	Of which inter- region transactions
North	6.9%	0.9%	5.0%	2.9%	5.5%	3.2%
Centre	20.4%	47.4%	19.5%	68.9%	21.1%	67.3%
East	3.0%	0.0%	3.0%	0.0%	3.5%	0.0%
South	60.6%	50.1%	64.7%	24.0%	62.9%	24.8%
West	14.1%	1.6%	9.5%	4.2%	8.6%	4.7%
Other	5.1%	0.0%	1.7%	0.0%	1.5%	0.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Current operating profit - breakdown by geographical region

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	1,926	2,307	2,761
Centre	6,377	9,508	10,461
East	40	(85)	539
South	30,091	32,900	29,834
West	7,414	4,865	3,263
Other	(5,957)	(8,391)	(10,005)
TOTAL	39,891	41,103	36,853

	30/09/2014	30/09/2013	30/09/2012
North	4.8%	5.6%	7.5%
Centre	16.0%	23.1%	28.4%
East	0.1%	0.2%	1.5%
South	75.4%	80.0%	81.0%
West	18.6%	11.8%	8.9%
Other	14.9%	20.4%	27.1%
TOTAL	100.0%	100.0%	100.0%

Operating profit – breakdown by geographical region

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	1,784	1,780	2,761
Centre	6,320	8,427	8,824
East	40	(1,118)	539
South	28,438	33,090	29,637
West	7,414	4,471	3,162
Other	(6,694)	(9,909)	(8,324)
TOTAL	37,303	36,740	36,599

	30/09/2014	30/09/2013	30/09/2012
North	4.8%	4.8%	7.5%
Centre	16.9%	22.9%	24.1%
East	0.1%	3.0%	1.5%
South	76.2%	90.1%	81.0%
West	19.9%	12.2%	8.6%
Other	17.9%	27.0%	22.7%
TOTAL	100.0%	100.0%	100.0%

Current and non-current assets, current and non-current liabilities

Non-current assets

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	10,995	2,527	3,144
Centre	4,911	42,212	42,754
East	7,766	8,464	10,090
South	30,682	33,005	15,823
West	57,580	53,960	37,245
Other	130,169	93,444	91,412
TOTAL	242,104	233,613	200,468

Current assets

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	16,214	11,406	12,530
Centre	37,704	38,808	36,492
East	6,991	6,992	7,510
South	114,460	125,612	116,647
West	36,368	29,405	22,143
Other	47,199	44,101	74,083
TOTAL	258,936	256,324	269,405

Non-current liabilities

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	699	0	0
Centre	439	929	1,007
East	0	4	9
South	5,347	6,127	2,220
West	1,304	1,192	1,685
Other	38,662	41,249	45,843
TOTAL	46,452	49,501	50,764

Current liabilities

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	5,427	3,586	4,326
Centre	12,182	11,625	13,123
East	1,897	1,750	1,849
South	59,961	67,313	61,703
West	13,498	11,692	8,178
Other	14,373	16,541	14,402
TOTAL	107,338	112,507	103,581

Free cash flow

		30/0	9/2014		30/09/2013 30/09/2012							
In thousands of euros	Free cash flow	Of which consoli- dated profit	Of which deprecia- tion, amortisa- tion and operating provisions	Of which other non-operational items	Free cash flow	Of which consoli- dated profit	Of which deprecia- tion, amortisa- tion and operating provisions	Of which other non- operatio- nal items	Free cash flow	Of which consoli- dated profit	Of which deprecia- tion, amortisa- tion and operating provisions	Of which other non- operatio- nal items
North	1,822	1,352	636	(166)	1,821	1,170	585	66	2,525	1,992	559	(26)
Centre	4,043	3,496	896	(349)	6,806	5,852	1,470	(516)	7,908	6,152	1,496	261
East	36	(377)	427	(14)	(103)	(1,607)	1,501	3	729	263	508	(42)
South	16,273	12,241	3,914	119	19,033	15,018	4,077	(63)	25,217	22,747	2,927	(458)
West	7,042	5,419	1,568	55	4,517	3,340	1,138	39	3,244	2,168	1,183	(108)
Other	11,367	2,078	8,513	777	8,301	(435)	7,353	1,382	(2,942)	(9,420)	6,405	74
TOTAL	40,582	24,207	15,953	422	40,374	23,338	16,124	911	36,681	23,902	13,078	(299)

		30/0	9/2014		30/09/2013 30/09/2012			2				
	Free cash flow	Of which consoli- dated profit	Of which deprecia- tion, amortisa- tion and operating provisions	other non- operatio-	Free cash flow	Of which consoli- dated profit	Of which deprecia- tion, amortisa- tion and operating provisions	other non- operatio-	Free cash flow	Of which consoli- dated profit	Of which deprecia- tion, amortisa- tion and operating provisions	Of which other non- operatio- nal items
North	4.5%	5.6%	4.0%	39.4%	4.5%	5.0%	3.6%	4.1%	6.9%	8.3%	4.3%	8.7%
Centre	10.0%	14.4%	5.6%	82.8%	16.9%	25.1%	9.1%	-31.9%	21.6%	25.7%	11.4%	87.3%
East	0.1%	1.6%	2.7%	3.3%	0.3%	6.9%	9.3%	0.2%	2.0%	1.1%	3.9%	14.0%
South	40.1%	50.6%	24.5%	28.1%	47.1%	64.4%	25.3%	- 6.9%	68.7%	95.2%	22.4%	153.2%
West	17.4%	22.4%	9.8%	13.0%	11.2%	14.3%	7.1%	2.4%	8.8%	9.1%	9.0%	36.1%
Other	28.0%	8.6%	53.4%	184.2%	20.6%	1.9%	45.6%	151.7%	8.0%	39.4%	49.0%	24.7%
TOTAL	100.0%	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Capital expenditure(1)

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
North	402	104	279
Centre	502	977	767
East	132	70	267
South	1,926	4,334	2,298
West	601	374	502
Other	8,553	8,593	10,367
TOTAL	12,116	14,453	14,480

⁽¹⁾ 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 financial structure and the small portion of its shares that are traded on the stock exchange (26.48% as at 30 September 2014).

Liquidity risks

The Group is not significantly exposed to liquidity risks. As at 30 September 2014, the Group's cash and cash equivalents amounted to €70,476,000 or €82,476.000 if current financial investments at more than three months are included, while financial liabilities totalled €45,882,000. The consolidated ration of financial debt to equity stood at 0.13.

In addition, the Group had confirmed unused lines of credit of \le 65,117,000 as at 30 September 2014.

The financial debts are subject to legal and financial covenants (non-compliance with which would lead to

early calling). All these covenants were complied with as at 30 September 2014. They mainly concern mediumand long-term debt to equity ratios and free cash flow to net borrowings ratios.

		Amount		Due date			
Type of borrowings	Fixed or variable rate	In thousands of euros	< 1 year	Between 1 and 5 years	> 5 years	Hedge	Original Currency
	Variable rate	486	486	0	0	No	EUR
Borrowings from credit institutions	Fixed rate	486	486	0	0	Yes	EUR
	Fixed rate	974	206	768	0	No	EUR
	Fixed rate	640	335	305	0	No	EUR
	Fixed rate	15	15	0	0	No	GBP
Liabilities in respect of finance leases	Fixed rate	3	3	0	0	No	RUB
	Variable rate	38,731	5,065	20,705	12,962	No	EUR
	Variable rate	993	445	548	0	No	GBP
Bank overdrafts	Variable	3,532	3,532			No	EUR
TOTAL		45,860	10,573	22,325	12,962		

Interest rate risks

The Group's financial policy consists in managing financial charges using a combination of variable and fixed rate derivatives. As at 30 September 2014 the Group valued an interest rate swap as follows:

	Transaction date	Due date	Value at 30/09/2014 In thousands of euros	IFRS hedge	Gross impact on profit and loss	Impact on Reserve
Interest rate swap: €4.5 million amortisable over 7 years; fixed interest rate 4.56% against three-month EURIBOR	27 May 2008	1 June 2015	(11)	Effective	0	(11)
TOTAL			(11)		0	(11)

The interest rate sensitivity analysis as at 30 September 2014 is as follows:

In millions of euros	Total	At less than 1 year	1 to 5 years	Over 5 years
Financial assets ⁽¹⁾	68.5	68.5		
Financial liabilities ⁽²⁾	43.7	9.5	21.3	13.0
NET POSITION	24.8	59.0	(21.3)	(13.0)

- (1) Negotiable debt securities, other financial assets and variable rate loans and advances.
- (2) Borrowings, financial debts and other variable rate financial liabilities.

The Group's interest rate risk is monitored throughout the year by the Group's Treasury Department in the parent company. The impact of a one percentage point change in interest rates on the Group's current variable rate net positions would be approximately €248,000.

Exchange rate risks

The Group is exposed to exchange rate risks through its subsidiaries operating outside the euro zone.

The Group pursues a general policy of risk management and self-hedging. Thus the management of intra-Group transactions is attentively monitored by local and Group treasury departments.

The Group's net exposure to exchange rate risk is presented by currency:

In millions of euros	Pound sterling	Czech koruna	Norwegian krone	Danish krone	Swedish krona	Euro	Other currencies	Totals
Monetary assets	18.9	2.5	3.1	1.6	6.9	3.8	3.8	40.6
Monetary liabilities	7.2	0.6	0.3	0.1	1.8	3.2	1.2	14.5
NET EXPOSURE	11.7	1.9	2.8	1.5	5.0	0.6	2.6	26.1

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 risk analysis led to the following conclusion on the currency hedging requirements:

- US dollar purchases;
- purchases in euros against the pound sterling, the Czech koruna and the Swedish krona;
- sales of NOK and DKK against the SEK;
- sales of HUF and PLN against the CZK.

Annual volumes at stake:

The total volume of flows to be hedged during the year amounted to €17.9 million, or less than 5% of the Group's cost of goods sold: a change in exchange rates would have a limited impact on the Group's income statement.

As at 30 September 2014 the Group had not put any forward currency purchases in place.

Stock market risks

The Group's exposure to stock market risks is limited to its holdings of treasury shares in Manutan International, the only Group securities listed on a regulated market. These treasury shares totalled 13,062 as at 30 September 2014 (see Note 8.11 "Changes in Group equity" on page 104).

They are recognised in consolidated equity.

Credit risks

Although given the nature of the Group's business, credit risks are limited, since "Trade receivables" comprise a large number of receivables of small amounts spread over hundreds of thousands of customers, the Group's policy is to check the creditworthiness of all customers wishing to

obtain credit terms. Trade receivables are monitored regularly, and as a consequence the Group's exposure to bad debts is not significant.

8.26 Related parties

Related parties are:

- 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 2014 (members of the Board of Directors) break down as follows:

- short-term benefits: €2,130,984 in 2013/2014, €2,037,240 in 2012/2013;
- post-employment benefits: N/A;
- other long-term benefits: N/A;
- end-of-service indemnities: N/A;
- ▶ share-based payments: N/A.

Furthermore, undertakings regarding end-of-service indemnities in the event of their departure have given to the Group's Senior Management. These (unpaid) undertakings amounted to &808,500 in 2013/2014.

8.27 Special purpose vehicles

Special purpose vehicles are consolidated if the Group concludes 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 2014.

Note 9 Companies included in the scope of consolidation

List of consolidated companies	% of voting rights of the consolidating company	% of interest of the consolidating company
Manutan International SA (France)		
Manutan Collectivités 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
IronmongeryDirect Ltd (United Kingdom)	100.00	100.00
Key Industrial Equipment Ltd (United Kingdom)	100.00	100.00
Key Industrial Procurement Ltd (United Kingdom)	100.00	100.00
Key Industrial Publication Ltd (United Kingdom)	100.00	100.00
Manovert BV (the Netherlands)	100.00	100.00
Manutan Hungária Kft (Hungary)	100.00	100.00
Manutan Italia Spa (Italy)	100.00	100.00
Manutan Ltd (United Kingdom)	100.00	100.00
Manutan Polska Sp z.o.o. (Poland)	100.00	100.00
Manutan SA (France)	100.00	100.00
Manutan SI (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 o.o.o. (Russia)	100.00	100.00
Manutan Unipessoal Lda (Portugal)	100.00	100.00
Metro Storage Systems Ltd (Ireland)	100.00	100.00
Manutan NV (Belgium)	99.15	99.15
Overtoom International Deutschland GmbH (Germany)	100.00	100.00
Manutan BV (the Netherlands)	100.00	100.00
Association du R.I.E. Manutan (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 (the 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
Ikaros Cleantech AB (Sweden)	100.00	100.00
Ikaros Finland 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 Events after the reporting period

None.

Note 11 Summary of obligations and commitments

Off-Balance Sheet commitments

In thousands of euros	30/09/2014	30/09/2013	30/09/2012
Confirmed unutilised lines of credit	65,117	65,000	64,373
Bank guarantees	2,925	3,027	2,456
Linked to operating leases	16,312	17,140	12,807

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 shown in parentheses.

		Amounts of commitments by period			
Contractual obligations: commitments given and received In thousands of euros	Total as at 30/09/2014	< 1	Between 1 and 5 years	> 5	
Credit Lines(1)	(65 117)	(65,117)			
Letters of credit ⁽²⁾	2,925	2,925			
Operating lease obligations	16,312	4,671	9,748	1,893	
Financial instruments	22	22			
Interest rate swaps	(482)	(482)			
TOTAL	(46,339)	(57,980)	9,748	1,893	

- (1) Confirmed credit lines available to the Group.
- (2) Guarantees given by the Group to credit institutions.

Note 12 Fees paid to Statutory Auditors and members of their networks

		KPMG			Mazars							
		Amount			%			Amount			%	
In thousands of euros	2013/2014	2012/2013	2011/2012	2013/2014	2012/2013	2011/2012	2013/2014	2012/2013	2011/2012	2013/2014	2012/2013	2011/2012
Audit												
Statutory audit and certification of consolidated and parent company financial statements ⁽¹⁾	439	412	436				367	323	307			
Other work and services directly relating to the Statutory Auditors' assignment ⁽²⁾	34	335					6	13				
Subtotal	473	747	436	71%	90%	84%	373	336	307	100%	95%	93%
Other services												
Legal, tax, social security assignments	101	80	80					16	22			
Other	4	2										
Subtotal	105	82	80	29%	10%	16%		16	22		5%	7%
TOTAL	578	829	516	100%	100%	100%	373	352	329	100%	100%	100%

⁽¹⁾ Of which for Manutan International €74,000 (KPMG) and €74,000 (Mazars) for 2013/2014; and €71,000 (KPMG) and €71,000 (Mazars) for 2012/2013.

⁽²⁾ Of which for RIE €6,000 for 2013/2014.

Report of the Statutory Auditors on the financial statements

Financial year ended 30 September 2014

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 2014 on:

- the audit of the accompanying consolidated financial statements of Manutan International SA;
- justification of our assessments;
- specific verifications and information required by the Law.

The financial statements have been prepared by the Board of Directors. It is our responsibility to express an opinion on these financial statements based on our audit.

1 Opinion on the 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 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 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.

2 Justification of our assessments

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

Investments in equity associates, the amount of which is shown in the balance sheet as at 30 September 2014 as €259,701,000, are valued at their acquisition cost, and written down on the basis of their value in use, in accordance with the procedures set out in Note 3 to the Financial Statements.

Our work consisted in assessing the data and assumptions on which these estimates are based, particularly the cash flow forecasts prepared by the subsidiaries' operational departments, in reviewing the calculations prepared by the Company, and in comparing the accounting estimates for the prior periods with the corresponding outcomes.

The assessments thus undertaken are within the framework of our annual accounts full audit approach, and accordingly contributed to the forming of our opinion as expressed in the first part of this report.

5

3 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 provided pursuant to the provisions of Article L. 225-01 of the French Commercial Code on the remuneration paid, benefits awarded and commitments made to corporate officers is in line with the financial statements or with the data used to prepare the financial statements, and, where 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 (and voting rights) has been communicated to you in the management report.

Marcq-en-Barœul, 29 January 2015

Courbevoie, 29 January 2015

The Statutory Auditors

KPMG Audit

A Division of KPMG SA

Laurent Prévost

Partner

Mazars

Simon Beillevaire

Partner

Financial statements of the parent company

Balance sheet

		30/09/2014			30/09/2013	30/09/2012
In thousands of euros	Notes	Gross	Amort. Provisions	Net	Net	Net
Assets		0000				
Non-current assets						
Intangible assets	1	51,893	27,874	24,019	20,580	17,317
Property, plant and equipment	2	3,077	1,881	1,196	1,410	1,178
Financial assets	3	278,340	17,777	260,563	249,055	211,569
		333,310	47,532	285,778	271,045	230,064
Current assets						
Inventories		0	0	0	0	0
Customers	4	13,915	0	13,915	8,869	9,358
Other receivables and prepaid expenses	4	34,242	121	34,121	41,301	44,968
Marketable securities	5	16,889	0	16,889	14,272	29,517
Cash and cash equivalents		13,622	0	13,622	22,495	39,248
		78,668	121	78,547	86,937	123,091
Deferred translation adjustment	9	15		15	13	8
TOTAL ASSETS				364,340	357,995	353,163
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
Retained earnings				53,531	26,121	23,777
Result				31,949	35,998	11,160
Regulated provisions				1,779	1,463	1,182
				254,295	230,618	203,155
Provisions for risks and charges	7			214	817	8
Liabilities						
Borrowings and financial debt	8.1			103,326	119,040	143,399
Suppliers	8.2			3,465	2,666	2,946
Other liabilities and accruals	8.2			3,029	4,851	3,639
				109,819	126,557	149,984
Deferred translation adjustment	9			12	3	16
TOTAL EQUITY AND LIABILITIES				364,340	357,995	353,163

Income statement

In thousands of euros	Notes	2013/2014	2012/2013	2011/2012
Revenues (excl. tax)	10	18,158	16,701	13,951
Cost of goods sold				
Trading margin				
Other external purchases		(17,012)	(18,263)	(17,257)
Taxes and duties		(808)	(842)	(538)
Personnel costs	11 & 12	(9,351)	(10,803)	(9,667)
Amortisation and depreciation charges		(5,266)	(4,502)	(3,840)
Provisions charges		(199)	(804)	0
Other income and expense	13	18,830	20,319	17,377
Operating profit		4,352	1,806	26
Share in joint ventures	14	(164)	(177)	(132)
Financial result	15	29,048	35,664	10,677
Profit before taxation		33,236	37,293	10,571
Non-recurring items	16	(303)	(776)	(333)
Employees' profit sharing plan contribution		(360)	(336)	
Income tax	17	(624)	(183)	922
NET INCOME		31,949	35,998	11,160

Notes to the parent company financial statements

for the year ended 30 September 2014

Significant events

On 10 October 2013 Manutan International acquired Ikaros Cleantech AB, 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 Group equity and did not affect its financial strength.

Effective 1 October 2013, Manutan NV (held 100% by Manutan International) was merged with Overtoom International NV. The new entity thus formed is now called Manutan NV The merger was carried out without a premium.

Accounting principles and methods

The financial year was of twelve months, from 1 October 2013 to 30 September 2014.

The financial statements have been drawn up on a going concern basis. 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 intangible assets in progress

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 financial year concerned licences as well as capitalisable costs incurred at year-end for the implementation of the various applications used by Group companies' 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 in progress mainly comprise 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 ongoing improvement of the information system. The reductions are largely the consequence of the commissioning of new applications during the year. These concern the harmonisation project and the launch of our new information system in certain subsidiaries.

		Chang		
In thousands of euros	30/09/2013	Addition	Decrease	30/09/2014
Gross value				
Patents and licences	661			661
Software	32,104	4,423		36,527
Fixed assets in progress	10,984	8,237	4,515	14,706
Total	43,748	12,660	4,515	51,893
Amortisation				
Patents and licences	(661)	(0)		(661)
Software	(22,507)	(4,707)	0	(27,214)
Total	(23,168)	(4,707)	0	(27,875)
NET VALUE	20,580			24,019

Note 2 Property, plant and equipment

Property, plant and equipment is measured at acquisition cost.

Depreciation is calculated using the straight-line method over the expected useful life of the asset concerned:

Buildings: 25 years.Fixtures and fittings: 10 years.

Computer hardware: 3 or 5 years.

- Other property, plant and equipment: 3 to 6 years.
 - motor vehicles;
- equipment and tool;
- office furniture and equipment.

The straight-line method is considered representative of the economic reality of the use of the life cycle of an asset.

		Chan		
In thousands of euros	30/09/2013	Addition	Decrease	30/09/2014
Gross value				
■ Land	0			0
Buildings	0			0
Fixtures and fittings	228	0		228
Computer hardware	1,308	365		1,673
Other property, plant and equipment	1,299	17	140	1,176
Total	2,835	382	140	3,077
Depreciation				
■ Land	0			0
Buildings	0			0
Fixtures and fittings	(48)	(44)		(92)
Computer hardware	(1,252)	(476)		(1,727)
Other property, plant and equipment	(126)	(38)	103	(62)
Total	(1,425)	(559)	103	(1,881)
NET VALUE	1,410			1,196

Note 3 Non-current financial assets and related receivables

The gross value of the securities consists of their purchase cost excluding ancillary expenses or of the subscription value. The net asset value of the securities reflects their value in use. This value is determined by a combination of the following methods: re-estimated net assets, future profitability and business prospects of the company concerned.

If the net asset value is lower than the net carrying amount of the securities, a provision is set aside for the difference. A similar provision is established for receivables from associates, their net asset value being based on prospects of recovery.

Associates/non-current financial assets

In thousands of euros	30/09/2013	Addition	Decrease	30/09/2014
Associates	261,243	11,746	30	272,959
Other securities (MI)	965	0	0	965
Deposits, security bonds	355	0	0	355
Total	262,563	11,746	30	274,279
Provisions for impairment	(14,464)	(145)	31	(14,578)
NET VALUE	248,099			259,701

The increase of €11,746,000 relates manly to the acquisition of the shares in Ikaros Cleantech AB on 10 October 2013.

Receivables and loans

In thousands of euros	30/09/2013	Addition	Decrease	30/09/2014	Of which at +1 year
Receivables and loans	4,156	750	845	4,061	3,966
Provisions for impairment	(3,200)	0	0	(3,200)	(3,200)
TOTAL	956			861	

Investments in associates and related receivables

Details of associates are shown in the table of subsidiaries and associates in the Notes to these financial statements.

During the financial year, Manutan International granted the following loan to a subsidiary:

Manutan o.o.o. (Russia) for €750,000;

and wrote off receivables from, loans to and current accounts of:

- Manutan o.o.o. (Russia) for €1,024,603;
- ► Fabritec-Overtoom (Switzerland) for €441,935;
- Overtoom International Deutschland GmbH (Germany) for €101,033.

Provisions for shares in associates and related receivables

A provision for impairment of shares in associates has been established, in application of general valuation principles, for $\le 144,514$ as follows:

- Manutan SI (Spain): an amount of €38,600 was added to the provision for impairment of the shares, bringing impairment at year-end to €100,606 (100% impairment);
- Overtoom International Deutschland GmbH (Germany): an amount of €105,914 was added to the provision for impairment of the shares, bringing impairment at year-end to €4,099,000.

The provision for treasury shares decreased by €31,369, based on the valuation of the shares in portfolio at year-end, bringing impairment at year-end to €405,070 based on the share's average price in September 2014.

The other movements in receivables related to associates resulted from the revaluation of these foreign currency denominated receivables.

Note 4 Current assets

All trade receivables are on Manutan Group companies.

In thousands of euros	30/09/2014	30/09/2013
Gross value		
Trade receivables	13,915	8,869
Advances and down payments on orders	222	234
Other receivables	32,433	39,173
Prepaid expenses	1,587	2,015
Total	48,157	50,292
Provisions	(121)	(121)
NET AMOUNT	48,036	50,171

All receivables are due within 1 year.

Other receivables include €30,827,000 in loans granted to subsidiaries and related accrued interest in the context of Manutan International's centralised management of the Group's treasury function.

Note 5 Negotiable securities

Negotiable securities shown in the balance sheet at their acquisition cost 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 2014, the analysis of the market value of the negotiable securities did not result in any impairment.

Note 6 Composition of the share capital

The Company's share capital at 30 September 2014 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 26.48%.

The following movements in equity occurred during the financial year:

In thousands of euros

Opening equity	230,618
Changes during the year	
Net income	31,949
Payment of dividends	(8,603)
Allocation to retained earnings	15
Other reserves	0
Reversal to regulated provisions	316
CLOSING EQUITY	254,295

The number of treasury shares held at year-end was 13,062, with a value of €965,468.

Note 7 Provisions for risks and charges

In thousands of euros	30/09/2013	Additions	Reversals of provisions no longer required	Reversals of provisions used	30/09/2014
Provisions for exchange losses	13	15		13	15
Provisions for taxes	0				0
Other provisions for risks and charges	804	199	124	680	199
TOTAL	817	214	124	693	214

Note 8 Liabilities

8.1 Financial debts

	(Gross values		Of which			
In thousands of euros	Total	> 1 year	1 to 5 years	Related companies	Amounts due	Paid outside the Group	
Owed to credit institutions ⁽¹⁾	964	964	0	0	0	0	
Intra-Group financial debts	102,362	102,362	0	95,705	12	0	
TOTAL	103,326	103,326	0	95,705	12	0	

⁽¹⁾ Of which CIC bank loan in an amount of €964,000.

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 which it handles.

8.2 Supplier and other payables

		Of which			
In thousands of euros	Total	> 1 year	< 1 year	Related companies	Amounts due
Suppliers and related accounts	3,465	3,465	0	695	1,372
Tax and social security liabilities	2,602	2,602	0	0	2,054
Debts relating to fixed assets	426	426	0	0	0
Other liabilities	1,670	1,670	0	1,670	0
TOTAL	8,163	8,163	0	2,365	3,426

Note 9 Conversion differences

Non-euro transactions are translated into euros at the transaction date exchange rate. At year-end, payables and receivables in foreign currencies are shown in the balance sheet are measured at their equivalent in euros

at the rate of 30 September 2014. The difference resulting from the comparison of the two valuations is recognised in the balance sheet as a conversion difference of $\[\in \]$ 11,860 on the liabilities side and $\[\in \]$ 14,855 on the assets side.

Note 10 Turnover

This amount includes management fees of €2,659,000 and intra-Group services for €15,499,000.

Note 11 Personnel

The average workforce during the financial year was 89. At 30 September 2014, the workforce stood at 88.

It is broken down as follows:

	30/09/2013	30/09/2014
Executives	71	73
Non-executives	17	15
TOTAL	88	88

Attendance fees paid to members of the Supervisory Board and the Board of Directors for the financial year 2013/2014 amount to $\ensuremath{\mathfrak{C}96,000}$.

Remuneration paid to corporate officers during the year amounted to $\ensuremath{\in} 2,034,984.$

Manutan International has outsourced its pension commitments to an insurance company. No premiums were paid during the year in this respect.

Law No. 2004-391 of 4 May 2004 instituted an Individual Right to Training (IRT) for employees. No IRT provision was established at 30 September 2014, in compliance with the provisions of the notice issued by the CNC's Comité d'Urgence dated 13 October 2004. On that date, the IRT acquired by employees of Manutan International amounted to 2,993 hours.

Note 12 CICE

The Company had recorded a French tax credit for encouraging competitiveness and jobs (CICE) of €59,131 at 30 September 2014. This tax credit was used to update the Group's catalogue offering.

Note 13 Other income and expenses

This item comprises €11,224,882 in brand royalty payments received from Manutan subsidiaries in France, Belgium, Portugal, Italy, Slovakia, Hungary, Poland, Czech Republic, Spain, Russia and the Netherlands.

Note 14 Joint ventures

The inter-company restaurant at the new Gonesse site has three members, one of which is Manutan International. In this regard the operating subsidy borne during the financial year ended 30 September 2014 amounted to €164,241.

Note 15 Financial income and expense

15.1 Net financial income came to €29,048,515 and breaks down as follows:

TOTAL 35,664	29,048
Others - Provisions for exchange losses (4)	(2)
Exchange differences 12	10
Net income and expense from treasury management 92	101
Net income and expense linked to investment in associates ⁽¹⁾ 35,564	28,939
In thousands of euros 30/09/2013	30/09/2014

(1) Breakdown:

At 30 September 2013:

+€40,458,399 revenue from shares in associates; -€599,335 in provision for impairment of shares in associates;

-€4,834,557 in net finance costs arising from short-term Company borrowings.

At 30 September 2014:

+€33,945,308 revenue from shares in associates;

- \in 144,513 in provision for impairment of shares in associates; + \in 31,369 in reversals of provisions;

-€4,893,223 in net finance costs arising from short-term Company borrowings.

15.2 Foreign exchange hedges

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 2014 there was no portfolio of forward exchange transactions.

15.3 Interest rate hedges

On 27 May 2008 Manutan International took out a €9 million seven-year loan, indexed to the 3M EURIBOR. This loan was taken out to finance the acquisition of the securities of Trovatar a.s.

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 amortisation curve of the loan's principal and the fixing dates are matched with those of the loan. At 30 September 2014 the fair value of the financial instrument was a negative €10,809.

At 30 September 2014, the cost of financing came to 4.56% plus margin up until May 2015 for 50%, while the other 50% is now fixed at 3M EURIBOR plus margin.

Note 16 Non-recurring items

Net non-recurring items amounted to -€302,970 and breaks down as follows:

In thousands of euros 30/09/2013	30/09/2014
Proceeds of disposals of non-current assets 5	59
Net carrying amount of the assets disposed of	(37)
Net proceeds from disposal of financial products	
Write-off of receivables, subsidy	
Reimbursement of tax inspection	
Other expenses (500)	(9)
Additions to regulated provisions (281)	(316)
TOTAL (776)	(303)

Note 17 Tax

Manutan International heads a tax grouping which includes Manutan France and Manutan Collectivités in the meaning of 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 were no consolidation.

Tax recognised by Manutan International, on behalf of the tax grouping amounts to €366,193. Manutan International is jointly and severally responsible for paying the tax on the Group's profit, in the amount of €600,097. The difference between the tax charge recognised and the amount that would have been if there had been no tax grouping represents a saving of €233,904.

Note 18 Off-balance sheet commitments

18.1 Table of commitments

Commitment types	Total	Management Subsidiaries	Associates	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	1,800,000				1,800,000	
TOTAL	2,925,000				2,925,000	

⁽¹⁾ CIC interest rate swap No. 1: Notional amortisable quarterly over seven years: lending leg at 3M EURIBOR, borrowing leg at 4.56%.

18.2 Debts guaranteed by collateral

This concerns legal persons.

Items concerned	Debts guaranteed	Amount of sureties	Net carrying amount of assets pledged
Convertible bond borrowings			
Other bond borrowings			
Borrowings from and dents to credit institutions			
Miscellaneous borrowings and financial debts		None	
Advances and down payments received on current orders			
Trade payables and related accounts			
Tax and social security liabilities			
Liabilities in respect of fixed assets and related accounts			
Other liabilities			

18.3 Summary table of obligations and commitments

In thousands of euros		Payment commitments by due date			
Contracted obligations	Total	At less than 1 year	1 to 5 years	Over 5 years	
Long-term borrowings					
Finance lease obligations	2,100	700	1,400		
Pension commitments	55			55	
Operating lease obligations					
Irrevocable purchase obligations					
Other long-term obligations					
TOTAL	2,155	700	1,400	55	

		Payment commitments by due date			
Other commercial commitments	Total	At less than 1 year	1 to 5 years	Over 5 years	
Credit lines					
Letters of credit					
Guarantees – Re-purchase commitments			None		
Other commercial commitments					
TOTAL					

Note 19 Link to subsidiaries

Manutan International, as the Manutan Group's holding company, is responsible for coordinating 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: €2,659,000;brand royalties: €11,224,000;

• other intra-Group services: €22,936,000.

Group subsidiaries reinvoiced Manutan International for certain services, for a total amount of: $\leq 4,072,000$.

Intra-Group transactions are carried out on normal terms and conditions, notably taking into account costs effectively incurred for rebilling.

Note 20 Events after the reporting period

None.

Information relating to subsidiaries and associates

	Local currency thousands			In thousands of euros	As a %		
Financial information Subsidiaries and associates	Share capital	Equity other than capital before appropriation of profit	Share capital	Equity other than capital before appropriation of profit	Total equity	% of capital	
Witre Sweden A/B (SEK) ⁽¹⁾	8,000	54,959	874	6,009	6,883	100	
Ikaros Cleantech A/B ⁽¹⁾	1,362	30,472	157	11,366	11,523	100	
Manutan Polska Sp z.o.o. (PLN) ⁽¹⁾	850	265	184	83	267	100	
Manutan Hungaria Kft (HUF)(1)	3,000	45,855	12	146	157	100	
Trovatar a.s. (CZK) ⁽¹⁾	71,000	4,698	2,706	2,004	4,710	100	
Manutan Slovakia s.r.o. (EUR)	7	461	7	461	468	100	
Manutan Czk S.r.o. (CZK) ⁽¹⁾	19,300	105,620	613	3,930	4,543	100	
Overtoom International Deutschland GmbH (EUR)	1,788	(768)	1,788	(768)	1,020	71	
Rapid Racking Ltd (GBP) ⁽¹⁾	153	4,276	205	5,492	5,698	100	
Manutan Ltd (GBP) ⁽¹⁾	5,825	8,900	8,636	10,307	18,944	100	
Manutan SA (EUR)	16,073	67,257	16,073	92,178	108,251	100	
Manutan Spain S.L. (EUR)	3	338	3	338	341	100	
Manutan Italia S.p.a. (EUR)	500	79	500	79	579	100	
Manutan Portugal Unipessoal Lda (EUR)	100	1,241	100	1,241	1,341	100	
Manutan o.o.o. (RUB) ⁽¹⁾	10,350	15,584	296	333	629	100	
IronmongeryDirect Ltd (GBP)	1	5,346	1	25,437	25,438	100	
Manovert BV (EUR)	18	63,010	18	63,010	63,028	100	
SCI Philippe Auguste (EUR)	345	0	345	0	345	100	
Manutan Collectivités SAS (EUR)	7,560	4,859	7,560	4,147	11,707	100	
Sports et Loisirs SAS (EUR)	1,000	8,977	1,000	8,977	9,977	100	

⁽¹⁾ Closing rate at 30 September 2014: GBP: 0.77730 - HUF: 310.57000 - SEK: 9.14650 - PLN: 4.17760 - CZK: 27.5000 - RUB: 49.76530.

⁽²⁾ Confidential data not released.

Local currency thousands

Notes	Dividends received by the Company during the financial year	Profit/Loss for the last financial year	Turnover excl. taxes for the last financial year	nted	d advances gra		ırities held	nount of secu	Carrying an
				Net	Provisions	Gross	Net	Provisions	Gross
	1,173	8,181	171,725	0	0	0	1,236	0	1,236
	(2)	(2)	(2)	0	0	0	11,606	0	11,606
	(2)	(2)	(2)	0	0	0	110	0	110
	(2)	(2)	(2)	0	0	0	56	0	56
	(2)	(2)	(2)	0	0	0	5,225	3,597	8,822
	(2)	(2)	(2)	0	0	0	22	0	22
	474	12,707	339,277	0	0	0	5,138	0	5,138
	(2)	(2)	(2)	0	0	0	670	4,099	4,769
	(2)	(2)	(2)	0	0	0	28,014	0	28,014
	1,636	1,305	0	0	0	0	14,393	0	14,393
	10,809	5,953	211,451	0	0	0	75,237	0	75,237
	(2)	(2)	(2)	0	3,200	3,200	5	101	106
	(2)	(2)	(2)	0	0	0	338	5,869	6,207
	0	52	5,250	0	0	0	100	0	100
Financial year ended 31/12/2013	(2)	(2)	(2)	0	0	0	65	506	571
	(2)	(2)	(2)	0	0	0	20,951	0	20,951
	15,800	3,845	0	0	0	0	72,071	0	72,071
	(2)	(2)	(2)	0	0	0	345	0	345
	(2)	(2)	(2)	0	0	0	5,438	0	5,438
	(2)	(2)	(2)	0	0	0	17,627	0	17,627

In thousands of euros

Five-year review of Company's results and other key figures

Description	30/09/2014	30/09/2013	30/09/2012	30/09/2011	30/09/2010
I. Capital at year-end (in thousands of euros)					
a) Share capital	15,227	15,227	15,227	15,227	15,227
b) Number of ordinary shares in existence	7,613,291 at €2				
 c) Number of shares with preferred dividend (with no voting rights) 					
d) Maximum number of future shares to be created:					
by bond conversion					
by exercise of subscription rights	-	-	-	-	-
II. Operations and results for the year (in thousands of euros)					
a) Total revenues excl. tax	18,158	16,701	13,951	12,742	10,782
b) Profit before tax, employee profit sharing, depreciation and amortisation charges and additions to provisions	38,469	42,380	17,061	18,622	17,119
c) Tax on income	624	183	(922)	(120)	(1,228)
d) Employee profit sharing for the year	360	336	-	-	-
e) Profit after tax, employee profit sharing, depreciation and amortisation charges and additions to provisions	31,949	35,998	11,160	14,857	16,211
f) Dividend distributions	8,942	8,603	8,831	10,659	9,136
III. Earnings per share (in euros)					
 a) Profit after tax and employee profit sharing but before depreciation and amortisation charges and additions to provisions 	5.54	5.54	2.36	2.46	2.41
b) Profit after tax, employee profit sharing and depreciation and amortisation charges and additions to provisions	4.73	4.73	1.47	1.95	2.13
c) Dividend per share	1.17	1.13	1.16	1.40	1.20
IV. Workforce					
a) Average workforce during the year	88	88	83	62	54
b) Total payroll for the year (in thousands of euros)	7,844	7,844	6,765	5,714	5,583
c) Amounts paid in respect of social benefits during the year (Social Security, social works, etc.) (in thousands of euros)	3,295	3,295	2,903	2,205	2,587



Information on the Company and share capital

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General information on the issuer

Name and registered office (Articles 2 and 4 of the Articles of Association)

Name: Manutan International.

Tel. +33 (0)1 34 53 35 00.

Trading name: Manutan.

Legal Department: contact.legal@manutan.com.

Registered office: ZAC du Parc des Tulipes, Avenue du

21° Siècle, 95506 Gonesse Cedex, France.

Legal form

Société Anonyme (French public Ltd company) with a Board of Directors.

The Combined General Meeting of Shareholders of 30 November 2011 voted to change the way the Company was administered and managed, by adopting the Board of Directors system.

Governing legislation

French Law.

Date and duration of incorporation

The Company was incorporated for a duration of 60 years. It will terminate on 24 April 2025, unless renewed or liquidated.

Corporate object (Article 3 of the Articles of Association)

The Company's objects in France and internationally are:

- the acquisition and management of portfolios of marketable securities and other investments;
- the acquisition of shareholdings in existing or new companies, and the management and disposal of these holdings;
- the purchase, sale and production of all equipment for businesses and local authorities;
- and, more generally, all commercial transactions in movable assets 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 and that may assist in the conduct of the business and its development.

Trade & Companies Registry

Registered with the Counterposed Trade & Companies Registry under No. 662 049 840.

APE Code (French equivalent of NACE or SIC): 6420Z.

Company's legal documents

Company documents, in particular the Articles of Association and the accounts, may be consulted at the registered office address: ZAC du Parc des Tulipes, Avenue du 21e Siècle, 95500 Gonesse, on the terms provided by Law.

Financial year

The Company's financial year starts on 1 October and ends on 30 September of the following calendar year. It consists of twelve months.

Appropriation of profits (Article 19 of the Articles of Association)

Distributable profit consists of the profit for the financial year less losses for prior years and the allocation to the legal reserve, plus retained earnings.

This profit is available to the General Meeting of Shareholders, which may, at the Board of Directors' proposal, carry it forward, allocate it to general or special reserves, or distribute it to shareholders in the form of a dividend.

In addition, the General Meeting of Shareholders 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 shall primarily be drawn from the distributable profit for the financial year.

The General Meeting of Shareholders considering the accounts for the financial year shall have the power to grant each shareholder, for all or part of the distributed dividend or interim dividends, an option to choose between payment in cash or in shares.

General Meeting of Shareholders (Article 16 of the Articles of Association)

16-1 Ordinary General Meetings, Extraordinary General Meetings and Special General Meetings of Shareholders have the respective powers conferred on them by Law.

16-2 General Meetings of Shareholders shall be convened and shall deliberate in the terms provided by the Law and regulatory provisions. The meetings shall be held at the Company's registered office, or at such other location as may be specified in the call notice.

Any shareholder may attend General Meetings, be represented at General Meetings or vote correspondence, regardless of the number of shares held, provided the shares have been fully paid up and registered in the shareholder's name by the third business 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 holding shares in a specific class may attend the Special Shareholders' Meetings for that class of shares, on the same conditions.

16-3 For the purposes of calculating the quorum and majority, shareholders who attend the General Meeting via video conference, or via means of telecommunication that allow them to be identified and that comply with the regulations in force, shall be deemed to be present,

providing the Board of Directors decides to use such means of attendance prior to convening the General Meeting of Shareholders.

16-4 A shareholder may choose to be represented by another shareholder or by his or her spouse or partner in a civil partnership. A shareholder may also choose to be represented by any other natural or legal person of his or her choice.

Notice of appointments and revocations of representatives may be given electronically.

- 16-5 All shareholders may vote by post, by using a form, which shall be taken into account only 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 shall be signed by the latter using a secure electronic signature process in 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 Codes 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 Shareholders 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 p.m. at the latest, Paris time, on the day before the General Meeting is held. This electronic form includes an

electronic signature in the terms specified in this Article.

16-8 Votes shall be expressed either by a 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, can be held only at the request of 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 shall be transferred by means of account-to-account transfer in the terms laid down by the regulations in force.

Their transfer and transmission are unrestricted. The same applies to the transfer of subscription rights to these securities and marketable securities.

Rights and obligations attaching to ordinary shares - Vote

(Article 13 of the Articles of Association)

- **13-1** Possession of an ordinary share shall entail *ipso jure* acceptance of the Articles of Association and of the resolutions duly adopted by all General Meetings of Shareholders.
- **13-2** Shareholders shall be required to bear losses only to the extent of their contributions.

Each ordinary share shall confer on the holder the right to a share in the profits, corporate assets and liquidation surplus in proportion to the percentage of the 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, such that all ordinary shares receive the same net amount, regardless of their origin and the date when they were issued, according to their respective nominal values.

13-3 The voting right attaching to the ordinary shares shall be proportional to the percentage of the capital that they represent, and each share shall give 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 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 appropriation of profits, and the bare owner shall have the right to vote on all other decisions;
- in other cases, the voting right shall belong to the beneficial owner at Ordinary General Meetings and to the bare owner at Extraordinary General Meetings.

A voting right equal to double that granted to the other ordinary shares in respect of the proportion of the capital that they represent, shall be awarded to all fully-paid up shares that have been registered in the same shareholder's name for at least two (2) years.

This right shall also be granted, upon issue, in the event of a capital increase through incorporation of reserves, profits or share premiums, to nominative shares issued free of charge to shareholders on the same basis as existing shares for which they enjoy such right.

Registered shares with double voting-rights that are converted into bearer shares or that change ownership shall 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 any other marketable securities that may be issued by the Company shall be in registered or bearer form, according to the holder's choice. They can be in bearer form only when they have been fully paid up.
- **9-2** The Company has the authority to ask the central financial instruments depositary at any time for the information specified by Law regarding the holders of bearer shares that grant immediate or future voting rights at Shareholders' Meetings. 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 any legal person holding over 2.5% of the share capital or voting rights to disclose the identity of the persons holding, directly or indirectly, more than one third of the share capital of that legal person or of the voting rights at its General Meetings of Shareholders.
- 9-3 Any natural or legal person, acting alone or in concert, who comes to possess a number of shares or voting rights that exceeds any of the thresholds established by Law, must comply with the disclosure requirements provided by 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 shall be governed by a Board of Directors consisting of at least three and at most eighteen members; however, this maximum shall be increased to twenty-four in the event of a merger, in accordance with the conditions laid down by Law.

In the event that capital held by employees of the Company and related companies under the Company Savings Scheme amounts to over 3% of the capital, a Director shall be appointed in the terms provided by the Law and regulations from among the employeeshareholders or employees who are members of the Supervisory Board of the corporate mutual fund holding the shares. This Director shall not be included when determining the minimum and maximum number of

14-2 The Directors' term of office is two (2) years.

The number of Directors who have reached the age of 75 may not exceed one third of the members of the Board of Directors. If this threshold is exceeded, the oldest Director shall be considered as resigning at the end of the next General Meeting of Shareholders.

14-3 Meetings of the Board of Directors shall be called at the Chairman's initiative, and if the Chairman does not act as CEO, at the request of the CEO, or, if the Board has not met for over two months, at the request of at least one third of the Directors. The call notice may be given by any means, eight (8) days in advance, except in the event of an emergency. The notice shall set out the agenda that has been drawn up by the person convening the meeting.

The meetings shall be held at the Company's registered office or such other location as may be specified in the call

The resolutions of the Board shall be valid only if at least half its members are present. The Internal Regulations may provide that Directors taking 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 to be considered as present for the purpose of establishing the quorum and the

The Board shall take its decisions by majority vote of the members who are present and represented. In the event of a tie, the Chairman of the meeting shall have a casting

For each meeting, the Board may appoint a secretary, who may be chosen from outside the Directors.

14-4 The Board of Directors shall set the guidelines for the Company's activities and ensure that they are implemented. Subject to the powers expressly reserved to Shareholders' Meetings, and within the limits of the Company's corporate object, the Board shall address any issue having a bearing on the smooth running of the Company and shall settle matters involving the Company through its deliberations. It shall perform such controls and checks as it deems appropriate.

14-5 The Board of Directors shall elect a Chairman from among its members. It shall determine his remuneration. The age limit for the position of Chairman is set at 75 years.

The Chairman of the Board of Directors shall organise and direct the work undertaken by the Board, and render account of it to the General Meeting of Shareholders. He shall ensure the proper running of the Company's bodies and specifically ensure that the Directors are in a position to fulfil their assignments.

The General Meeting of Shareholders of 12 March 2015 will be asked to approve the insertion of a new paragraph 14-6 in the Company's Articles of Association, in order to allow the Board to institute the post of Honorary Chairman, to read as follows:

"The Board of Directors may appoint as an honorary Chairman a natural person chosen from among the former Chairmen of the Company's Board of Directors.

The term of office shall be two (2) years, ending upon the adjournment of the General Meeting of Shareholders ratifying the financial statements for the past financial year and held in the year in which his office expires.

The Honorary Chairman shall be re-electable indefinitely, and may be revoked at any time, without indemnification, by a decision of the Board of Directors.

The Honorary Chairman shall be invited to all meetings of the Board and shall attend in a consultative capacity. He must nonetheless comply with the internal regulations of the Board of Directors.

His right of information and communication shall be identical to that of the members of the Board of Directors.

The Honorary Chairman may in no case interfere with the management of the Company or generally replace its legal bodies."

Role of Chief Executive Officer (CEO) (Article 15 of the Articles of Association)

The role of CEO shall be assumed either by the Chairman of the Board of Directors, under his responsibility, or by another natural person chosen from among the Board members or from outside those members.

The Board of Directors shall choose between the two ways of performing the CEO function. 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 CEO, the provisions in these Articles of Association relating to the CEO shall apply to the Chairman.

If the Chairman of the Board of Directors does not perform the role of CEO, the Board of Directors shall appoint a CEO, to whom the age limit set for the role of Chairman shall apply.

The CEO shall be granted the most extensive powers to act in the name of the Company in all circumstances. He shall exercise these powers within the limits of the corporate object, and subject to the powers expressly reserved by Law to the General Meeting of Shareholders and to the Board of Directors.

The Board of Directors may appoint one or more Deputy CEOs, up to a maximum of five, at the proposal of the CEO. The age limit set for the position of Chairman shall also apply to the Deputy CEOs.

The Deputy CEOs shall have the same powers as the CEO vis-à-vis third parties.

The powers of the CEO and of the Deputy CEOs 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

- ▶ Role of the parent Company vis-à-vis its subsidiaries see page 72 of this document.
- Group subsidiaries and legal jurisdictions see pages 85 and 117 of this document.
- Legal organisational structure of the Group and positions held by parent company executives in the main subsidiaries – see pages 38, 39 and 85 of this document.
- Presentation of movements in subsidiaries' significant intermediate management balances and indication of strategic business assets held by them - see pages 73
- to 75 of this document ad the notes to the financial statements presented on page 111 et seq. of this document.
- ▶ Financial flows and nature of these flows between the Parent Company and subsidiaries – see page 72 of this document.
- See special report of the Statutory Auditors on regulated agreements and commitments on page 62 of this

Shareholders of Manutan International

The identities of persons holding, directly or indirectly at 30 September 2014, more than 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% and 95% of the share capital or voting rights at General Meetings of Shareholders are as follows:

	30/09/2014			30/09/2013			30/09/2012		
Major 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 share capital held	% of voting rights exercisable
André and Hélène Guichard	1,819,861	23.90	16.02	1,819,861	23.90	15.90	1,819,861	23.90	15.94
Hélène Guichard	588,276	7.73	10.35	588,276	7.73	10.28	588,276	7.73	10.30
Jean-Pierre Guichard	449,196	5.90	7.91	449,196	5.90	7.85	449,196	5.90	7.86
Other members of the Guichard family	304,426	4.00	5.36	304,426	4.00	5.32	304,426	4.00	5.25
MT Finances ⁽¹⁾	2,417,581	31.75	42.55	2,417,581	31.75	42.24	2,417,581	31.75	42.32
Total for the									
Guichard family	5,579,340	73.28	82.18	5,579,340	73.28	81.59	5,579,340	73.28	81.67
Lazard Frères Gestion	415,000	5.45	3.65	415,000	5.45	3.63	415,000	5.45	3.63
Financière de l'Échiquier	360,510	4.74	3.17	360,510	4.74	3.15	360,510	4.74	3.16
Other registered shares	9,001	0.12	0.15	88,686	1.16	1.55	88,507	1.16	1.48
Publicly held bearer shares	1,231,650	16.18	10.84	1,155,440	15.18	10.09	1,149,546	15.10	10.06
Total public	2,016,161	26.48	17.82	2,019,636	26.53	18.41	2,013,563	26.45	18.33
Treasury shares(2)	17,790	0.23	0.00	14,315	0.19	-	20,388	0.27	-
TOTAL	7,613,291	100.00	100.00	7,613,291	100.00	100.00	7,613,291	100	100

⁽¹⁾ Company whose capital is owned by the Guichard family.

To the best of the Company's knowledge, there is no other shareholder holding, directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights.

There has been no significant change in the shareholdings, as set out above, since 30 September 2014.

Crossing of threshold

- During the financial year ended 30 September 2012, the following crossing of a threshold was declared: by 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 was declared.
- During the financial year ended 30 September 2014, no other crossing of the threshold was declared.

Agreements among shareholders

The collective commitments to hold shares are presented in the chapter entitled "General information concerning the share capital" on page 148 of this document.

Information disclosed pursuant to Article L. 225-100-3 of the French Commercial Code

Pursuant to Article L. 225-100-3 of the French Commercial Code, we inform you of the following matters, which are likely 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 chapter entitled "Distribution of share capital and voting rights" on page 147 of this document.

⁽²⁾ Treasury shares do not carry voting rights (13,062 direct registered shares and 4,728 treasury shares held as part of the share buyback programme under the liquidity agreement).

- There are no statutory restrictions on the exercise of voting rights and transfers of shares.
- Seven shareholders of the Company have signed two agreements to retain shares in the Company in the framework of the tax allowances instituted by the so-called "Dutreil Law" of 1 August 2003, presented in the chapter headed "General information concerning the share capital" on page 148 of this document.
- As far as the Company is aware, there are no other commitments or pacts signed among shareholders.
- ▶ There are no shares in the Company conferring special rights of control, with the exception of a double voting right instituted by Article 13-3 of the Company's Articles of Association for shareholders who have held nominative shares for at least two years.
- 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 removal of members of the Board of Directors are the legal and statutory rules provided by Article 14 of the Company's Articles of Association.
- As regards the powers of the Board of Directors, current delegations are detailed in the table of existing delegations shown on page 143 of this document. The powers of the Board of Directors to buy back the Company's own shares are described on page 145 of this document.
- ▶ Amendments to the Company's Articles of Association are implemented in accordance with legal and regulatory
- Agreements on Corporate Officers' indemnities upon resigning their positions are detailed on page 54 of this
- 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.

Employees (Article L. 225-102 of the French Commercial Code)

At the end of the 2013/2014 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.

General information concerning the share capital

Changes in share capital and associated rights

Any change in the share capital or the rights attaching to the securities forming it is subject to the legal requirements. The Articles of Association do not impose any more restrictive conditions on such changes than those required by Law.

Share capital

As at 22 January 2015, 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.

Table of current authorisations and delegations

T۱	rpe of delegation or authorisation	Extraordinary General Meeting	Expiry date	Amount authorised	Use during previous financial years	Use during the financial year ended 30/09/2014	Residual amount at 01/10/2014
_	Delegation of authority to increase the	Meeting	Expiry date	autiloliscu	years	30/03/2014	01/10/2014
_	Company's share capital <i>via</i> the capitalisation of reserves, profits and/or share premiums	19 March 2013	18 May 2015	€5 million	N/A	0	€5 million
2	Authorisation to cancel Company shares purchased within the framework of the mechanism set out in Article L. 225-209 of the French Commercial Code	13 March 2014	12 March 2016	10% of the share capital	N/A	0	10% of the share capital
3	Delegation of authority to issue ordinary shares and/or marketable securities carrying rights to shares of the Company (or of another Group company) and/or carrying a right to the allocation of debt securities with preferential subscription rights for existing shareholders	19 March 2013	18 May 2015	Shares: €2 million ⁽¹⁾ Marketable securities: €2 million ⁽²⁾	N/A	0	Shares: €2 million ⁽¹⁾ Marketable securities: €2 million ⁽²⁾
4	Delegation of authority to issue ordinary shares and/or marketable securities carrying rights to shares of the Company (or of another Group company) and/or carrying a right to the allocation of debt securities with waiver of preferential subscription rights for existing shareholders <i>via</i> a public offering and/or in consideration for securities as part of a public exchange offer	19 March 2013	18 May 2015	Shares: €2 million ⁽¹⁾ Marketable securities: €2 million ⁽²⁾	N/A	0	Shares: €2 million ⁽¹⁾ Marketable securities: €2 million ⁽²⁾
5	Delegation of authority to issue ordinary shares and/or marketable securities carrying rights to shares of the Company (or of another Group company) and/or carrying a right to the allocation of debt securities with waiver of preferential subscription rights for existing shareholders <i>via</i> a private placement	19 March 2013	18 May 2015	Shares: €2 million ⁽¹⁾ 20% of the share capital Marketable securities: €2 million ⁽²⁾	N/A	0	Shares: €2 million ⁽¹⁾ 20% of the share capital Marketable securities: €2 million ⁽²⁾
6	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 capital	N/A	0	10% of the share capital
7	Authorisation to increase the size of issues in the event of excess demand	19 March 2013	18 May 2015		N/A	0	-
8	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 securities or marketable securities carrying rights to Company shares		18 May 2015	10% of the share capital	N/A	0	10% of the share capital
9	Delegation of authority to increase the share capital by issuing shares with waiver of preferential subscription rights reserved for the members of an Employee 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
1(Authorisation to grant new free shares	13 March 2014	12 May 2017	1% of the share capital	N/A	0	1% of the share capital

⁽¹⁾ Same maximum limit.

⁽²⁾ Same maximum limit.

Financial instruments not representative of share capital

None.

Potential share capital

No share options or new free shares have been granted. There is no other financial instrument with a potential to dilute share capital.

Share buyback programme

The General Meeting of Shareholders of 13 March 2014 authorised the Board of Directors, for a period of eighteen months, to trade in the Company's own shares on the stock market.

In addition, the Combined General Meeting of Shareholders of 13 March 2014 authorised the Board of Directors, for a

period of twenty-four months, to reduce the share capital by cancelling shares purchased under its buyback programme, in the terms provided by the Law.

The Company made use of this authorisation only in the framework of a liquidity contract with Oddo Corporate

Treasury shares purchased during the financial year ended 30 September 2014 under the share buyback programme are indicated in the table below.

	Total gross fl	ows 2013/2014
In euros	Purchases	Sales
Number of shares	39,528	36,053
Average transaction price	48.17	48.20
AMOUNT	1,904,064	1,737,755

- Number of treasury shares held at 30 September 2014: 4,728 or approximately 0.06% of the share capital.
- ▶ Value at average purchase price at 30 September 2014: €44.19 x 4,728 = €208,930.
- Total par value: €2 x 4,728 = €9,456.

Shares held by the Company were not used or reallocated to other purposes during the 2013/2014 financial year.

The monthly declarations of trading in the Company's shares carried out under the liquidity contract with Oddo Corporate Finance were filed with the AMF ("Autorité des Marchés Financiers," the French securities regulator) during financial year 2013/2014.

Authorisation of a new share buyback programme

The next General Meeting of Shareholders will be asked to renew the Company's share buyback programme, as referred to in the reports of the Board to the Meeting.

Liquidity contract

The Company renewed a liquidity contract with Oddo Corporate Finance in accordance with the professional ethics charter of AMAFI (Association Française des Marchés Financiers, the French Financial Markets Association), which participates as provider of liquidity.

The transactions carried out under this liquidity contract during the 2013/2014 financial year are listed above, in the paragraph entitled "Share buyback programme".

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 General Regulations and European Commission Regulation (EC) No. 2273/2003 of 22 December 2003, the purpose of this description is to set out the purpose of and methods of the Company's share buyback programme.

This programme will be submitted for authorisation to the General Meeting of Shareholders of 12 March 2015. The prior notice will be published in the BALO (French official gazette) on 4 February 2015, and the call notice will be published in the BALO on 25 February 2015.

1 Breakdown of treasury shares held, by purpose, as at 22 January 2015 after closing of the markets

Number of shares held directly and indirectly: 3,432 shares, representing 0.05% of the Company's share capital. Number of shares held according to their purpose:

- coordination of the share price by means of an AMAFI liquidity contract: 3,432;
- 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;
- cancellation: N/A.

2 New share buyback programme

- Authorisation of the programme: General Meeting of Shareholders of 12 March 2015.
- Securities concerned: ordinary shares.
- Maximum percentage of the share capital for which buyback is authorised: 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 during the programme in the interests of liquidity.

- Maximum purchase price: €100.
- Maximum amount of the programme: €38,066,400.
- Buyback methods: these share buybacks may be undertaken by any means, including block purchases, and at such times as the Board of Directors shall determine. The Company does not intend to use options or financial instruments.

Objectives

- To 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 AMAFI, the French Financial Markets Association, as approved by the AMF, the French securities regulator.
- To ensure 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.
- To retain the shares acquired and subsequently exchange them or use them as payment in the context of any external growth transactions.
- To provide cover for marketable securities that confer the right to acquire shares of the Company in accordance with regulations in force.
- Possibly to cancel shares acquired in accordance with the authorisation granted by the General Meeting of Shareholders of 13 March 2014 in its ninth resolution (extraordinary session). A proposal to renew it will be made at the General Meeting on 12 March 2016.

Duration of the programme

■ Eighteen months from the General Meeting of Shareholders of 12 March 2015, i.e. until 11 September 2016.

6

Summary of transactions in Company shares by Corporate Officers and senior management and their close relatives during the financial year last ended

(Articles L. 621-18-2 of the French Monetary and Financial Code and Article 223-26 of the General Regulations of the AMF)

As far as the Company is aware, no transactions involving securities were undertaken during the 2013/2014 financial year by Corporate Officers or senior management of Manutan International or by persons connected to them.

Movements in share capital (in euros and in French francs)

Year	Transaction		Change in capital	Share premium	New capital amount	Total number of shares	Par value of the share
Situation at		In euros			2,750,952	1,804,506	10
1 October 1993		In French francs			18,045,060		
1993/1994	Capital increase via the	In euros	2,750,952		5,501,903	3 3,609,012 10 3 7,330,204 10 5 7,416,384 10	
	capitalisation of reserves	In French francs	18,045,060		36,090,120		
1995/1996	Capital increase in cash and	In euros	5,672,921	1,387,341	11,174,824	7,330,204	10
	via the capitalisation of reserves	In French francs	37,211,920	9,100,360	73,302,040		
1996/1997	Cash capital increase	In euros	131,381	1,011,630	11,306,205	7,416,384	10
		In French francs	861,800	6,635,860	74,163,840		
1997/1998	Cash capital increase, merger	In euros	98,127	3,060,737	11,404,332	7,480,751	10
		In French francs	643,670	20,077,118	74,807,510		
8 January 1999	Capital increase <i>via</i> the capitalisation of reserves	In euros	3,557,171		14,961,503	7,480,751	2
30 Sept. 1999	Cash capital increase	In euros	46,000	259,011	15,007,503	7,503,751	2
30 Sept. 2000	Cash capital increase ⁽¹⁾	In euros	219,080	1,233,756	15,226,582	7,613,291	2

⁽¹⁾ Exercise of stock option.

There has been no movement in share capital since 30 September 2000.

Free allocations of shares

$oldsymbol{1}$ Historical summary of free shares allocated

Plan name	Date of the General Meeting authorisation	Date of the award of free shares by the Executive Board	Number of shares awarded	Type of shares to be awarded: new or outstanding	Effective award date	Share price ⁽¹⁾ In euros
Free Share Plan No. 1	25 February 2005	12 July 2005	2,000	Outstanding	12 July 2007	39.76
Free Share Plan No. 2	13 March 2008	15 January 2009	20,000	Outstanding	15 January 2011	32.61

⁽¹⁾ This corresponds to the weighted average price of the three stock market trading days preceding the decision by the Executive Board to award.

Allocation to the Company's Corporate Officers during the year ended 30 September 2014

None.

3 Allocations granted during the financial year ended 30 September 2014 to the ten employees of the Company with the highest number of shares allocated

None.

4 Allocations granted by the Company and by related companies or groups during the financial year ended 30 September 2014 to all employee beneficiaries

None.

6

Analysis of share capital and voting rights

As at the on which this document was approved, 22 January 2015, the Company's capital was composed of 7,613,291 shares. At that same date, the number of theoretical voting rights (including those attaching to

shares with no voting rights) was 11,380,994 and the number of voting rights exercisable at the Ordinary General Meeting of Shareholders was 11,364,500.

TO THE BEST OF THE COMPANY'S KNOWLEDGE, THE MAIN SHAREHOLDERS AS AT 22 JANUARY 2015⁽¹⁾ WERE AS FOLLOWS:

Major shareholders	Number of shares	Number of single voting rights	Number of double voting rights	Total number of voting rights	% of share capital	% of voting rights exercisable
André and Hélène Guichard	1,819,861	1,819,860	1	1,819,862	23.90%	16.02%
André Guichard	258,312	-	258,312	516,624	3.39%	4.55%
Hélène Guichard	588,276	-	588,276	1,176,552	7.73%	10.35%
Jean-Pierre Guichard	449,196	-	449,196	898,392	5.90%	7.91%
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%
MT Finances ⁽¹⁾	2,417,581	-	2,417,581	4,835,162	31.75%	42.55%
Subtotal Guichard family	5,579,340	1,819,860	3,759,480	9,338,820	73.28%	82.18%
Lazard Frères Gestion	415,000	415,000	-	415,000	5.45%	3.65%
Financière de l'Échiquier	360,510	360,510	-	360,510	4.74%	3.17%
Treasury shares(2)	16,494	-	-	-	0.22%	0.00%
Publicly registered	9,001	778	8,223	17,224	0.12%	0.15%
Publicly held bearer shares	1,232,946	1,232,946	-	1,232,946	16.19%	10.85%
Subtotal Public	2,033,951	2,009,234	8,223	2,025,680	26.72%	17.82%
TOTAL	7,613,291	3,829,094	3,767,703	11,364,500	100%	100%

⁽¹⁾ Shares indirectly owned by the Guichard family.

To the best of the Company's knowledge, no other shareholder holds, directly or indirectly, alone or in concert, more than 5% of the share capital and voting rights of the Company.

VOTING RIGHTS EXERCISABLE BY BARE OWNERS IN EXTRAORDINARY GENERAL MEETINGS OF SHAREHOLDERS

Major shareholders	Total number of shares	Total number of voting rights	% of voting rights exercisable
Hervé Guichard	93,386	186,772	1.64%
Xavier Guichard	93,386	186,772	1.64%
Jean-Pierre Guichard	659,816	1,319,632	11.61%

VOTING RIGHTS EXERCISABLE BY BENEFICIAL OWNERS IN ORDINARY GENERAL MEETINGS OF SHAREHOLDERS

Major shareholders	Total number of shares	Total number of voting rights	% of voting rights exercisable
André Guichard	258,312	516,624	4.55%
Hélène Guichard	588,276	1,176,552	10.35%

⁽²⁾ Shares held by Lazard Frères Gestion on behalf of investment funds and unit trusts, 13,062 direct registered shares and 3,432 treasury shares held as part of the share buyback programme under the liquidity agreement.

⁽¹⁾ After closing of the markets.

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 aimed at ensuring that control is not exercised improperly, notably:

- the presence of four independent members among the nine members forming the Board of Directors (situation as at 22 January 2015);
- the splitting of the roles of Chairman of the Board and CEO;
- the Audit Committee and the Appointments and Remuneration Committee are composed entirely of independent members.

Shareholders' agreement

No shareholders' agreement or any clause in an agreement envisaging preferential conditions for the sale or purchase of shares have been notified to the AMF (*Autorité des Marchés Financiers*, the French securities regulator).

Group personnel hold no shares in the Company's share capital by way of special investment funds.

Changes in share capital ownership in the past three years

As a %	30/09/2014	30/09/2013	30/09/2012
Guichard family	73.28%	73.28%	73.28%
Public and other registered shares	26.55%	26.55%	26.55%
Direct registered treasury shares	0.17%	0.17%	0.17%
	100.00%	100.00%	100.00%

Collective agreements to retain securities of Manutan International

On 28 August 2006 the members of the Guichard family, Company's shareholders, signed a collective agreement to retain securities, pursuant to Article 787 B of the French General Tax Code, whereby they undertook to retain collectively 1,812,898 shares of Manutan International, representing at the date of signing of the collective agreement 23.81% of the financial rights and 31.94% of the voting rights attached to shares issued by the Company.

This commitment was entered into for a period of twentyfour months, which started to run from its registration, *i.e.* from 28 August 2006. At its expiry, it would be extended year by year by tacit agreement.

Every member is entitled to withdraw from the agreement subject to notifying the others of such decision one month before the end of the period in progress.

The collective agreement to retain was signed by:

- André Guichard, Director;
- ▶ Hélène Julliard, wife of André Guichard;

- Jean-Pierre Guichard, Chairman of the Board of Directors:
- Claudine Laffont, wife of Jean-Pierre Guichard;
- Hervé Guichard, CEO and Director;
- Xavier Guichard, Deputy CEO and Director;
- MT Finances, whose share capital is wholly owned by the members of the Guichard family previously referred to.

On 15 November 2012 the members of the Guichard family, Company's shareholders, signed a second collective agreement to retain securities, pursuant to Article 787 B of the French General Tax Code, whereby they undertook to retain collectively 3,661,759 shares of Manutan International, representing at the date of signing of the collective agreement, 48.09% of the share capital, 48.22% of the financial rights and 48.01% of the theoretical voting rights attached to shares issued by the Company.

This commitment was entered into for a period of twentyfour 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 shares covered by the undertakings, as the second undertaking includes a higher number of financial and voting rights than the first.

Market in the securities

Main Index CAC All-Tradable

Other indices CAC Small and CAC Mid & Small

EURONEXT Paris - Compartment B

Listed on NYSE EURONEXT Paris

Ticker symbol MANUTAN INTL ISIN Code FR0000032302

Reuters MATP.PA Bloomberg MAN FP

Stock market information

Five-year data	30/09/2014	30/09/2013	30/09/2012	30/09/2011	30/09/2010
Number of shares	7,613,291	7,613,291	7,613,291	7,613,291	7,613,291
Closing price	40.43	40.67	30.95	42.07	45.50
Market capitalisation (in millions of euros)	308	310	236	320	346
Highest price (in euros)	56.14	41.99	43.52	54.15	47.00
Lowest price (in euros)	40.10	27.98	28.35	41.00	37.10
Average daily volume (in number of shares)	3,653	3,094	1,723	1,004	1,283
Average daily capital (in euros)	176,078	103,954	58,133	49,211	53,123

Share capital

The Company's share capital at 22 January 2015 consists of 7,613,291 shares with a par value of €2 each.

As at that date, the proportion of the capital held by the public was 26.50%. The percentage of shares held by the Company as treasury stock was 0.22%. The remainder of the capital is owned, directly or indirectly, by the Guichard family.

Shareholders at 30 September 2014

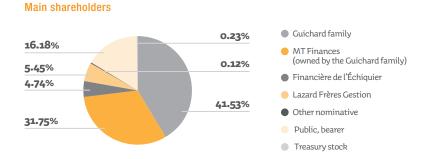
As at 30 September 2014, shares in Manutan (Manutan Intl) stood at €40.43, an increase of 0.6% compared with the closing price at 30 September 2013. On 22 January 2015, at closing the shares were quoted at €41.50.

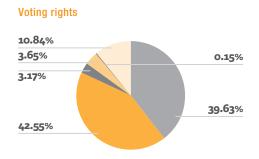
Control of the Company

As at 30 September 2014, the Company was held and controlled, directly and indirectly, by the Guichard family, with 73.28% of its capital and 82.18% of the voting rights.

A list of shareholders as at 30 September 2014 is also presented on pages 141 of this document, in the chapter entitled "General information concerning the issuer".

CAPITAL AS AT 30 SEPTEMBER 2014





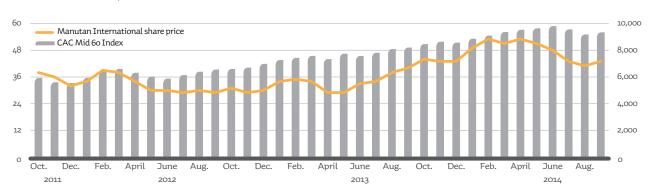
Liquidity contract

The Company entered into a liquidity contract with Oddo Corporate Finance in accordance with the professional ethics charter of AMAFI (Association Française des Marchés

Financiers, the French Financial Markets Association), in the framework of share buyback programme. See also page 144 of this document.

Movements in the share price





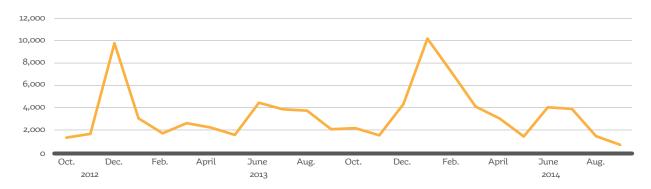
Change in listed price

During the financial year, the share price reached its highest closing price (€56.14) on 24 April 2014, and its lowest closing price (€40.10) on 11 August 2014. On 30 September 2014 the closing price was €40.43 (€40.67 in September 2013). The PER amounted to 12.74 on the basis of consolidated net income attributable to owners of the parent as at 30 September 2014.

Trading volume

From 1 October 2012 to 30 September 2014, 1,720,549 shares in Manutan International were traded, representing capital of €71.5 million (compared with 1,230,094 shares representing €41 million for the previous financial year).

AVERAGE DAILY TRADING VOLUME - OCTOBER 2012 TO SEPTEMBER 2014



Dividends

In euros					
For the financial year ended	30/09/2014	30/09/2013	30/09/2012	30/09/2011	30/09/2010
Profit (loss)	24,166,235	23,277,107	23,900,875	28,531,420	24,404,749
Number of shares	7,613,291	7,613,291	7,613,291	7,613,291	7,613,291
Total dividend distributed	8,907,550	8,603,019	8,831,417	10,658,607	9,135,949
Price	40.43	40.67	30.95	42.07	45.5
Basic earnings per share ⁽¹⁾	3.18	3.06	3.14	3.75	3.21
Net dividend per share	1.17	1.13	1.16	1.40	1.20
40% reduction ⁽²⁾	0.47	0.45	0.46	0.56	0.48
Dividend payout ratio	37%	37%	37%	37.4%	37.4%
Total gross yield(3) (%)	4.05	3.89	5.25	4.66	3.69

- (1) Basic earnings per share are calculated using the average number of shares outstanding during the year.
- (2) Reduction of 40% provided for by Article 158-3-2 of the French 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 past five financial years the dividend distributed represented between 37% and 37.4% of consolidated net income. At the General Meeting of Shareholders of 12 March 2015, the Board of Directors will propose a distribution rate of 37% of consolidated net income, *i.e.* \in 1.17 per share in respect of the financial year ended 30 September 2014.

Prescription period of dividends: 5 years.

Allocation of unclaimed dividends:

Direction nationale d'interventions domaniales, Service des curatelles, Les Ellipses, 3, avenue du Chemin-de-Presles, 94417 Saint-Maurice Cedex, France.

6



Declaration and concordance tables

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Person responsible for the reference document

Xavier Guichard, CEO of Manutan International, located at ZAC du Parc des Tulipes, Avenue du 21e Siècle, 95500 Gonesse.

Declaration of the person responsible for the reference document

"I declare that to the best of my knowledge, after having taken all reasonable measures for this purpose, the information contained in this reference document reflects reality and there are no omissions such as might alter its

I declare that to my knowledge, the financial statements were prepared in accordance with applicable accounting standards and fairly present the assets, financial position and result of the Company and all the Companies included in the consolidation, and that the Management Report presented on page 69 presents a fair view of the operations, results and financial position of the Company and Companies included in the consolidation, 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 in which they state that they verified the information on the financial position and the accounts shown in this reference document as well as reading the complete document.

The consolidated financial statements for the financial year ended 30 September 2014 and the Parent Company financial statements for the year ended 30 September 2014, which are set out on pages 84 and 120 of this document respectively, have been the subject of reports prepared by Statutory Auditors, as required 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

61, rue Henri-Regnault, 92400 Courbevoie

Initial appointment date: 14 March 2003

Duration of office: expires at the end of the Ordinary General Meeting of Shareholders 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

Duration of office: expires at the end of the Ordinary General Meeting of Shareholders convened to consider the accounts for the financial year ended 30 September 2015.

Alternate Statutory Auditors

Mr. Jean-Maurice El Nouchi

7, rue de Florence, 75008 Paris

Initial appointment date: 11 March 2011

Duration of office: expires at the end of the Ordinary General Meeting of Shareholders convened to consider the accounts for the financial year ended 30 September 2014.

KPMG Audit IS SAS

Immeuble Le Palatin

3, cours du Triangle, 92939 Paris-La Défense Cedex

Initial appointment date: 18 March 1998

Duration of office: expires at the end of the Ordinary General Meeting of Shareholders 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).

Shareholder relations and documents accessible to the public

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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 an 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.

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For easier reading of this Registration Document, the following thematic table enables to identify major sections required by European Commission Regulation No. 809/2004 of 29 April 2004 implementing Directive 2003/71/CE of the European Parliament and Council.

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