2016 REGISTRATION DOCUMENT

ANNUAL FINANCIAL REPORT

eurazeo

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2016 REGISTRATION DOCUMENT

Annual Financial Report

With a diversified portfolio of more than €6 billion in assets under management, of which €1 billion for third parties, Eurazeo is one of the leading listed investment companies in Europe. The Company covers most private equity segments through its business divisions - Eurazeo Capital, Eurazeo Patrimoine, Eurazeo PME, Eurazeo Croissance - and with the support of Eurazeo Development. Its portfolio includes around 30 companies of all sizes and from all sectors, that Eurazeo accompanies in the long term, most often as a majority or key shareholder, working with them to accelerate their transformation strategies. Eurazeo has developed an active presence in Shanghai and Sao Paulo to encourage the international development of its portfolio companies and a network of partners throughout the world. Its investment team is now also present in New York.

Eurazeo is a shareholder in:

- AccorHotels, Asmodee, Desigual, Elis, Europcar, Fintrax, Les Petits Chaperons Rouges, Moncler, Neovia, Novacap and Sommet Education, in Eurazeo Capital;
- ANF Immobilier, CIFA Fashion Business Center, Fonroche Solaire and Grape Hospitality, in Eurazeo Patrimoine;
- AssurCopro, Colisée, Dessange International, Groupe Flash, Léon de Bruxelles, MK Direct, Orolia, Péters Surgical and Vignal Lighting Group, in Eurazeo PME;
- Farfetch, IES Synergy, I-Pulse, PeopleDoc, Vestiaire Collective and Younited Credit, in Eurazeo Croissance.

It is also a shareholder in the management platforms, iM Square and Capzanine. These investments are assigned to the Eurazeo Development division, which is also responsible for deal sourcing activities and fund management for major international institutional investors.

TRANSPARENCE LABEL OR

This label recognizes the most transparent Registration Documents according to the criteria of the Annual Transparency Ranking.

The English language version of this report is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate presentation of the original. However, as in all matters of interpretation, views or opinions expressed in the original language version of the document in French take precedence over the translation.

AUTORITÉ DES MARCHÉS FINANCIERS AMF

This Document is a free translation of the Registration Document that was filed with the French Financial Markets Authority (AMF) on April 6, 2017 pursuant to Article 212-13 of its General Regulations. It may be used in support of a financial transaction if supplemented by a prospectus approved by the AMF. This document contains all information relating to the Annual Financial Report. It was drawn up by the issuer and is binding upon the persons who signed it.

We are makers

JOINT INTERVIEW

“WE GENERATE GROWTH”

Michel David-Weill
Chairman of the Supervisory Board

Patrick Sayer
Chief Executive Officer

As we assess fiscal year 2016 and outline future prospects, Michel David-Weill and Patrick Sayer discuss the opportunities and threats of today's world and Eurazeo's strengths in this new environment.

Q. _Michel David-Weill, you live in both France and the United States, what do you think of recent developments in the world?

M. D.-W. _Today the world is reacting to two underlying and significant movements. The standard of living in emerging countries has changed quite radically in recent years.
At the same time, the arrival of new forms of business in developed countries has spurred great fortunes, like in the 19th century.
Now in competition with the rest of the world, growth has been much slower for the middle class, who are quite concerned about the future.

P. S. _And so we see the rise of protectionism, but trying to turn back the clock on globalization is simply not realistic…

M. D.-W. _No, indeed. Mr. Trump, since he is the most visible example, is above all looking to monetize his imports. Nevertheless, I think that globalization will be slowed down but it will continue due to the lender-borrower relationship between numerous countries and the US.

Q. _Patrick Sayer, what are the consequences for Eurazeo, which has just set up an investment team in the US?

P. S. _Globalization, which relies on the speed of transport and communication resources, is an absolutely irreversible trend, even though there may be stages in the process. Accelerating the growth of Eurazeo and its companies necessarily entails international expansion, hence our presence in China, Brazil and now New York, even though the world is asking new questions about the US.

M. D.-W. _I was brought up with the saying "Never sell America short," which I truly believe. The US remains a very vibrant economy that can accelerate Eurazeo's growth.

P. S. _In this context, our long-term objective is to better balance our portfolio between Europe and the US. Eurazeo has a place in this market. We bring our long-term capital investment practice and our rather unique vision of asset management, which appeals to many entrepreneurs. Because of our US presence, we can also assist companies that no longer wish to play the "board game" of European integration: "I'll try Italy, then Germany, but if I fail I go back two spaces…" They thus have direct access to a market of 325 million consumers before tackling the rest of the world. Asmodee is a striking example; it also draws the greatest benefit.

M. D.-W. _I hear investors in the US becoming interested once again in Europe. They have a lot of reasons to feel this way.

"Accelerating the growth of Eurazeo and its companies necessarily entails international expansion."
Patrick Sayer

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"We generate growth and are heavily involved alongside our companies."
Patrick Sayer

P. S. _We offer US companies a veritable green card to Europe, since the US funds established here are not truly European.

M. D.-W. _From the US perspective, Europe is a real market and players like Eurazeo are valuable.

P. S. _And it is essential that our Old Continent economies support this French private equity model, which recycles foreign capital and finances our economy.

Q. _Higher interest rates, oil prices... The planets no longer seem aligned. What should we expect?

P. S. _We have not seen any merit in a value creation model based on debt for several years now. We have steered all of Eurazeo's strengths towards companies' growth - detect it, induce it - and our new model has proven itself if I can judge by our performances once again this year. We generate growth and are heavily involved alongside our companies. This is the meaning of our *motto "We are Makers."*

M. D.-W. _If Eurazeo was a major borrower, the rise in interest rates would impact us, but, thanks to our debt-neutral model, we have a rare advantage. Not unique, but rare. Low rates, often presented as an advantage, are only the result of weak economies. At 1% or 2%, they are clearly artificial. The standard mid-to long-term rate has been 3% since the time of the Medici. The US recovery has been going on for some time - a gradual and certainly sustainable recovery - and the rates will rise.

P. S. _In Europe, even if the rates do rise, they will initially stay low. The dollar will therefore be strong. The upshot will be better competitiveness for our portfolio companies. And for Eurazeo, as a long-term investor, a strong dollar means that we must systematically integrate the assumption of future interest hikes in our models, taking a basis point for caution's sake between the entry multiple and the theoretical exit multiple.

M. D.-W. _As for oil … Demand has not dwindled and we're in a market that continues to grow.

P. S. _For the time being, it would seem that the world has generally adapted to a barrel price of around 50 to 60 dollars. This is a favorable level for certain producing countries that are balancing their budgets; it can thus contribute to containing certain disruptions, particularly in the Middle East. And at that price, we can begin to develop alternative energies again.

Q. _How do you both see Brexit?

P. S. _We can ask ourselves whether it's a disaster for Europe, or rather an opportunity... "This disdain should be a wake-up call!" in the words of former President Valéry Giscard d'Estaing, who is calling on the European Union to break out of its "pitiful inertia" in the face of the condescending attitude of the Americans and the British.

M. D.-W. _The reality is that Britain was never part of Europe. The Second World War killed the confidence of Europeans in their respective governments, contrary to the British.

P. S. _This is why Jacques Attali is right to assert that on paper, Europe could be the world's leading power, even without Britain. It's up to us to fight as best we can so that Brexit triggers an acceleration in European integration.

M. D.-W. _It's possible, but it depends on various elections… But I don't want to get into politics.

P. S. _Talking about Europe, politics, this is the role of a corporate citizen, and that's what Eurazeo is. I'm a European by culture and circumstance, because I see the extent to which the global models - Google, Apple, Facebook, Amazon, Weibo, Alibaba, and Tencent - are crushing the rest of the world and tapping into considerable wealth. That's a fact. And, despite our advantages, there isn't a single European platform that can match them. This is because what we have is a set of domestic markets, each with their own rules, in addition to European regulations. This is strangling our business growth instead of freeing it. It's high time for a change.

M. D.-W. _Europe only effectively exists from a cultural and human perspective. To build it, France must be able to act as Germaany's economic counterpart. I would like to prove that my Sciences Po professor was wrong when he said "Europe is Russia; Western Europe is Germany." That can only be accomplished by reforming France. Above all, the freedom to invest is lacking. The key to the problem is not corporate taxation, but the taxation of individuals behind the companies.

P. S. _And since there is no pension fund in France, it's obvious that you have to rekindle private equity investment, as the AFIC (Association Française des Investisseurs pour la Croissance: French private equity investors association) again recently defended. And by private equity, I mean investment in the intelligence and technology that make French industry effective, and not necessarily in plants. We're no longer in a period of traditional industrialization, which certainly doesn't mean that work will disappear.

"To build Europe, France must be able to act as Germany's economic counterpart."
Michel David-Weill

M. D.-W. _Verification businesses will become predominant. After you invent information systems, you have to verify and adapt the algorithms, and safeguard data. This development is similar to a tidal wave.

P. S. _You could take the interesting growth of Europcar as an example. Its strength lies in an intelligence-based vehicle ecosystem. It doesn't matter whether or not a human drives it, on the highway or one day in the air. The service offered is flexibility and simplicity - and of course safety. Artificial intelligence will impose itself everywhere and must be effectively controlled by the human mind. This is the rationale behind Eurazeo's investment in education.

Q. _What are the lessons from fiscal 2016 for 2017 and future years?

P. S. _It was a year of substantial investment, with no less than eight acquisitions for over 800 million euros. What is remarkable is that three of these transactions resulted in the creation of all-new companies: the hotel real estate platform Grape Hospitality, where we are capitalizing on the experience gained at B&B Hotels and AccorHotels, as well

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as Sommet Education, comprising two Swiss hotel management schools, a group that will differ greatly from the simple carve-out initially planned. And soon we will create a company in order to revive well-known confectionery and chocolate brands like Carambar and Poulain. Eurazeo is not only an accelerator, but also a maker of champions and growth.

M. D.-W. _Our ability to identify and pool the most relevant expertise according to a given company is a tremendous competitive advantage for Eurazeo…

P. S. _Yes, now it is easier and less risky to buy mid-sized enterprises for our companies than to conduct transactions on a larger scale, where competition is fierce. Overall, we buy cheaper and achieve synergies not only in terms of cost but also development.

M. D.-W. _This Eurazeo know-how is crucial, since it allows us to often anticipate the needs of major groups looking to acquire new products or services.

P. S. _Exactly. We have contacts with these groups and know how they think. We also have experts, in the US for example, who cover consumer products or industrial development, and who can provide assurance regarding the mid-term growth horizons of our portfolio companies.

M. D.-W. _You have to admit that it's difficult to objectively predict success today or to model it. This cutting-edge expertise is necessary when, for example, we help companies transpose their traditional business model to the Internet.

P. S. _Precisely, more and more distribution companies have adopted a multi-channel model that is both physical and digital. This is the case for two of our portfolio companies: Farfetch, a market place that opens new horizons to luxury clothing boutiques, and Linvosges, which markets home linen in boutiques and on-line. It's the best of both worlds!

Q. _In conclusion… How do you see Eurazeo's place in society?

M. D.-W. _Eurazeo's vision of economic investment is long-term and proactive. This means we play a central role in society, especially in today's France.

P. S. _Companies must more than ever play a watchdog role in the face of considerable change. A long term view is an inherent part of Eurazeo's DNA, and we expect our corporate responsibility governance to do more than simply keep an eye on our companies' global footprint. We don't want to overplay our role, but we do have real power and therefore we are duty bound to act responsibly within our sphere of influence. •

"Eight new investments, over 800 million euros. And three new companies created."

Patrick Sayer

1

PRESENTATION OF THE GROUP

We INVEST

THINKING BEYOND ECONOMIC AND SOCIAL TRENDS, EURAZEO HAS ORGANIZED ITSELF TO IDENTIFY COMPANIES AND MANAGEMENT TEAMS THAT ARE BEST ABLE TO GENERATE PROFITABLE AND SUSTAINABLE GROWTH. TO DETECT THESE FUTURE CHAMPIONS AND MAKE THEM PART OF OUR CIRCLE, WE COMBINE THE EXPERTISE OF OUR TEAMS, BUSINESS DEVELOPERS, INVESTORS AND CORPORATE OFFICE. WITH UNIQUE ASSETS THAT DIFFERENTIATE US: KEEN OBSERVATION, AGILE DECISION-MAKING, SOLID RESOURCES.

SELECT INVESTMENTS

From basic start-up to acknowledged European leader, Eurazeo commits all its resources to investing in quality companies with high potential. With the eight acquisitions in 2016, we are witnessing the beginning of new development stories.

2016

€833m
in eight investments and one reinvestment
(transaction costs included)

eurazeo capital

Unit amounts invested
> €100m

2016 investments: €529m*

Les Petits Chaperons Rouges
Novacap
Sommet Education

Current investment:
CPK project: European chocolate and confectionery brands, licenses, and five production sites in France.

eurazeo development

Complementary businesses

2016 reinvestment: €24m*

iM Square

eurazeo pme

Unit amounts invested
€25m to €100m

2016 investments: €104m*

Orolia
MK Direct
AssurCopro

eurazeo croissance

Unit amounts invested
€15m to €20m

2016 investment: €22m*

Farfetch

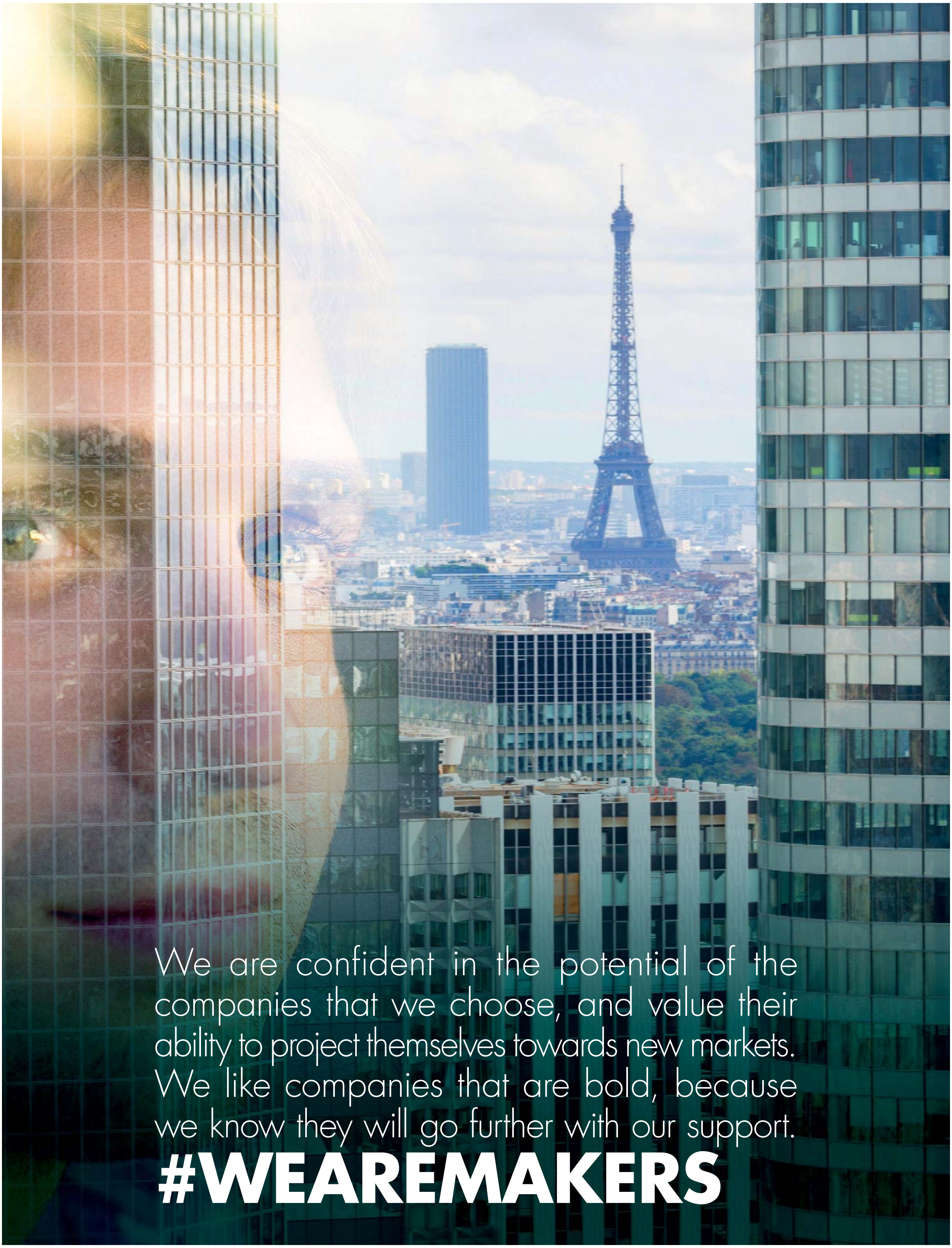
eurazeo patrimoine

Unit amounts invested
> €25m

2016 investment: €154m*

Grape Hospitality

* Amounts and percentage interests are presented after any syndication and include transaction costs, for all new investments.


We are confident in the potential of the companies that we choose, and value their ability to project themselves towards new markets. We like companies that are bold, because we know they will go further with our support.
#WEAREMAKERS

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OUR STRATEGY I/V

INVEST SELECTIVELY

In a competitive market, Eurazeo will always invest selectively.
It multiplies opportunities through a sourcing that has broader horizons, both geographically and in terms of new forms of investment. A differentiating strategy that makes optimum use of expertise and networks.

FROM VISION TO ACTION

Investment, a collective commitment

From the search for opportunities to the final decision, the Eurazeo process is collective throughout the investment path. All the investor teams participate in sourcing; drawing on their specialized skills, they have mastered the ecosystems specific to each type of company. Since 2012, Eurazeo Development has supported their actions, examined new investment ideas and enhanced the deal flow through the identification of targets as far upstream as possible. The corporate teams are also involved, particularly risk management and CSR, primarily in due diligence procedures (in-depth studies conducted prior to acquisitions) that verify the viability of the company being considered.

A search for differentiation

The abundance of liquidity due to low interest rates creates a great demand for profitable assets. As always, the company must position itself where others cannot to obtain the value creation that is sought. Differing from investment funds because of its long-term structure, Eurazeo has also developed novel approaches, relying on its specific expertise. First stage of the investment process: a thorough analysis of the underlying trends and sectors. As in the past with the luxury market, where Eurazeo had anticipated an upscaling before investing in Moncler, certain sectors are currently the subject of a specific focus, due to promising underlying trends. Among the buoyant sectors, Eurazeo prioritizes those in which the fundamentals, industrial rationale and strategic challenges are highly familiar, namely brands and consumer goods, business services, health, etc. Related activities are then explored on this basis, as was the case with Vestiaire Collective and Farfetch, using the individual experiences of Moncler or Grape Hospitality or the pooled experiences of ANF Immobilier, B&B Hotels and AccorHotels.

Strict selection criteria

While the act of investing always has an element of risk, Eurazeo endeavors to reduce it by strictly defining what constitutes an investment opportunity. With respect to the priority market segments, it is thus looking for: 1/ sound companies that are able to develop sustainably and ultimately deliver the expected value creation; 2/ based on Eurazeo's conviction, companies whose potential can be revealed and whose transformation can be supported via several drivers such as international expansion, digital technology, external growth, etc.; 3/ quality management that is open to challenge and shares its strategic vision; and 4/ the ability to act thanks to appropriate governance and particularly

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by our representation on decision-making bodies or by means of shareholder agreements.

Opening up to the world

Eurazeo has played a central role in European investment flows over the last five years. Its geographical expansion continued in 2016 with the opening of an office in the US, the world's leading private equity market. The ambition is to invest directly, particularly in consumer goods and business services.
Another significant initiative in 2016 was the successful launch of the co-investment fund Eurazeo Capital II, which adds to the network and the investment capacities of Eurazeo via the support of leading investors in Asia, Europe and the US.

2016, a year of substantial investment momentum

Eurazeo carried out eight new investments this year, added to which is the CPK project involving the purchase of chocolate and confectionery brands and licenses and five production sites. The significant number and nature of the transactions generated by each of our investment divisions demonstrate Eurazeo's ability to seize quality opportunities. The portfolio has opened towards new activities such as the Swiss hotel management schools Glion and Les Roches, company day nurseries with Les Petits Chaperons Rouges, insurance brokerage with AssurCopro, and pharmaceutical ingredients and essential chemicals with Novacap, an international group that produces and markets these products.
In 2016, Eurazeo also acquired two businesses from large-scale groups, a base on which it seeks to create leading champions. These stand-out transactions are based on our specific assets: financial soundness, long-term horizon, unique combination of expertise, etc. This trend was made evident with the creation of Grape Hospitality and Sommet Education.

€833m
in investments in 2016.

60%
Percentage of Eurazeo Capital's investments in Europe excluding France over the last 2 years.

AND THE FUTURE?

Our first investments in the US and ultimately a more balanced portfolio between Europe and North America.

A new fundraising in 2017, Eurazeo PME III, further extending the opening to international co-investors in compliance with our investment criteria.

we

BOLDLY PREPARING FOR THE FUTURE

INVEST

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CONVERSATION WITH VIRGINIE MORGON
Deputy CEO of Eurazeo

2016 was an intense year. In addition to the active search for new investments and a collective commitment to company transformation, Eurazeo is again boldly preparing for the future. New asset classes, an affirmation of the international dimension, and the development of third-party fund management: initiatives and achievements that have further added to the unique nature of the Eurazeo business model.

HOW DID EURAZEO CONTINUE ITS DEVELOPMENT IN 2016?

Our roll-out momentum has accelerated. First, in terms of investments, with eight transactions in 2016. We are all very proud.
And we have also supported the development of our companies more than ever; transformation is happening everywhere. We have quite logically applied this same winning momentum to ourselves. The goal is to expand our horizons to strengthen value creation opportunities. Look how far we've come in just a few years! We have created four investment teams and one development team; we've expanded to new regions. We have enhanced our business by investing in platforms to explore complementary asset classes.
In 2016, we amplified this drive despite a difficult environment. We set up a New York office of course and I'll get back to this. We also stepped up the development of our fund management activity, which is becoming a business in its own right with one billion euros under management for third parties. These fundraisings under Eurazeo Capital II and soon Eurazeo PME III do not change who we are: an investment company with a solid financial structure and unique freedom of action in its sector. But they add to our assets and increase our investment capacities. They also generate predictable and sustainable revenue streams.

HOW DID THE COMPANIES IN WHICH EURAZEO IS A SHAREHOLDER PERFORM?

Our teams accompanied the transformation of our companies more than ever; this is the heart of our business model. This recognized expertise combines the excellence of the investment teams with that of the corporate teams in a process that is applied to all the company portfolios, regardless of their size. This is particularly evident in the 5.3% increase in our economic revenue, yet again showing growth, and what's more, running at over three times the Eurozone's economic growth rate. This figure is significant since it validates the relevance of our investment choices in hindsight. Above all it highlights the extensive work carried out by Eurazeo to activate sustainable growth levers within its companies: build-ups, organic growth, digitization, CSR, international expansion… I'm convinced that efficiency, know-how and our teams' involvement alongside investment management are major contributors to performance. Nothing comes by chance. The unique wealth of experience Eurazeo has created in all its divisions serves to develop the companies in which it invests. This is why they can be so active in terms of external growth, as in the case of Neovia or Elis, with no less than seven acquisitions each in 2016. It is also behind rapid digital transformation, like that of the Flash Group and Asmodee. Do you know a lot of investment companies that provide a Chief Digital Officer to their leadership team in order to accompany their changes? We are precursors in this area, as we were in the past with CSR. All our due diligence procedures now include a digital and technological phase, from both a risk and potential perspective. Finally, our support allows them to accelerate their international expansion, such as Fintrax, gaining strength in Northern Europe, Europcar in China, Elis in Latin America, or Les Petits Chaperons Rouges, based solely in France at the time of its acquisition and already setting its sight on growth across Europe.

YOUR COMPANIES ARE EXPANDING INTERNATIONALLY, EURAZEO IS EXTENDING ITS GEOGRAPHICAL PRESENCE, INVESTING IN COMPANIES WITH A GLOBAL AUDIENCE... WHY THIS ACCELERATION?

In a global economy, international expansion is the number one growth driver. Eurazeo has long understood that globalization is inescapable and has marshalled its forces to guide this change in scale. We have expanded our investment scope to all of Europe, and we have organized our international presence to guide our companies

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in countries with formidable potential, such as China and Brazil. A new milestone was reached in 2016 when we set up in New York to invest directly in US intermediate-sized businesses active in our sectors of expertise. The ultimate goal is to balance our investments between Europe and the US. Eurazeo provides a long-term vision, thanks to its permanent capital, deep understanding of Europe, the opening towards China and Brazil, flexibility of our structure… Our activity is already robust. One third of Eurazeo's deal flow has been from the US since early 2017. Lastly, this local foothold will naturally facilitate the expansion of our companies in North America.

WAS THIS EXPANDED RANGE OF OPPORTUNITIES ALSO BEHIND YOUR THREE CARVE-OUT INVESTMENTS?

Exactly. We buy assets, brands, businesses or sites which were not a priority for the major groups that owned them despite their quality. We'll awaken these sleeping beauties and turn them into major champions. To do this, it is necessary to partly restructure the management team and ring it with multiple skills, organize management, and reinitiate internal growth… This is a natural extension for Eurazeo, since it is highly committed to operational guidance. We firmly believe that if a real reinvestment is required to look for pockets of growth, this type of investment can create tremendous value in the midterm.

"None of this would be possible without the exceptional talent of our teams, who share the same culture, the same ethics and the same passion and determination to accelerate transformations."

AND THE FUTURE? WHAT ARE THE PROSPECTS FOR 2017?

You won't be surprised to hear that 2017 is shaping up to be very active. Speaking of creating new groups, we are about to finalize the confectionery and chocolate transaction launched with Mondelez. We will probably also complete our first major investment in the US and maintain the investment momentum in Europe. Eurazeo will therefore continue to develop at a steady pace, with rigor, responsibility and boldness. We will also look at other countries and expertise.

Admittedly the context remains uncertain, but there are numerous opportunities for both our companies and Eurazeo. We have the specificity and the benefit of a long-term perspective and sufficient resources to best deliver our expertise for growth and value creation.

However, none of this would be possible without the exceptional talent of our teams. These are men and women that are highly professional, responsible and incredibly devoted to Eurazeo. In Paris, New York, Shanghai or Sao Paulo, whether they manage companies of varying sizes and profiles or work in corporate functions like human resources, IT, finance, CSR or digital, they share the same culture, the same ethics and the same passion and determination to accelerate transformations. This is why Eurazeo is far more than an investment portfolio. •

AN ACTIVE SHAREHOLDER BUSINESS

Detecting rare potential for investment is the first step of Eurazeo's business. Our teams then work alongside the companies to support their transformation. Before monetizing the work achieved on divestment.

1

Detect

As part of a selective acquisition policy, Eurazeo looks for investments with strong growth potential. To detect future champions, Eurazeo targets companies that are developing in promising sectors and benefitting from favorable underlying trends, but also companies with transformation potential.

2

Transform

Eurazeo supports its investments over the long term to reveal their sustainable value and help them realize their full potential. An accelerated transformation in which all of Eurazeo's human and financial growth levers are triggered to benefit its investments.

3

Realize the value

Eurazeo has mastered the art of divestment timing via its business model - absence of structural debt and the use of its own resources. An advantage that allows it to sell its investments at the most opportune moment for both the shareholders and the portfolio companies. If the transformation objectives have been achieved and the expected value creation has been delivered, the asset is sold, thus monetizing the transformation work.

We

Focus on Eurazeo Development

As of 2012, Eurazeo chose to dedicate a team to the search for new investments; in its current form the team has four members with varied profiles. Renamed Eurazeo Development in 2015, this team represents a unique advantage.

A MULTI-FACETED MISSION

Eurazeo Development's current mission is multi-faceted: enhance and diversify our business networks and partners for the benefit of our companies, participate in the definition of investment priorities and accordingly identify companies with significant development, innovation and transformation potential. Once the priority issues have been collectively defined, Eurazeo Development enhances, energizes and coordinates the search for investment opportunities. The team is also responsible for fundraising, and platforms such as Capzanine and iM Square, investments with complementary activities.

AN EFFECTIVE APPROACH

Thanks to Euroazeo Development's role in detecting new opportunities, and because it can pool its networks and the expertise of the various divisions, Eurazeo benefits from a growing deal flow allowing it to be a selective investor. Accordingly, Eurazeo Capital has identified over 1,000 potential targets since the creation of Eurazeo Development, with nearly 20% of them deemed to be priorities. Focusing on its activity, the Eurazeo Development team takes the time to prepare future opportunities upstream. Eurazeo can thus identify top companies with respect to growth trends, often in advance, which other investors have sometimes not yet detected.

Our process for targeting new sectors

- Promising underlying trends
- Close to our areas of expertise
- In accelerated transformation
- Digital economy

Our analysis criteria

- High added value
- Quality team
- Multiple growth opportunities

Our priority sectors

- Business services
- Trademarks
- Health

Investments

- Capzanine
- iM Square

INTENSE ACTIVITY IN 2016

2016 was an intensive year for Eurazeo Development, with nearly 700 investment opportunities identified in our priority sectors, of which half for Eurazeo Capital. Some sixty companies were the subject of an in-depth review for eight committed investments. Eurazeo Development's scope of action was also enlarged in 2016. With the opening of the New York office, the team has mobilized to support the activity roll-out in the US market and the consolidation of its network.

2017 OUTLOOK

Eurazeo Development activity will remain intense in 2017. In addition to upstream sourcing, which is to say the continuous search for new investment opportunities for Eurazeo and its portfolio companies, the activity will be driven by the ongoing ramp-up of the US presence, and the Eurazeo PME III fundraising.

INVEST

The Eurazeo Development team
From left to right:
Laurent Guérineau,
Managing Director
Frans Tieleman,
Managing Partner
Head of Eurazeo Development
Tatiana de Dalmas,
Senior Associate
Louis Prothery,
Managing Director

ONE BILLION EUROS UNDER MANAGEMENT FOR THIRD PARTIES

In 2016, Eurazeo continued to roll out a business model that combines equity investment with selective recourse to co-investors. At the end of December, it thus raised a new fund of €500 million, Eurazeo Capital II, whose subscribers include pension funds, asset managers and sovereign funds from throughout Europe (73%), North America (15%) and Asia (12%). With over ten years of experience, this ability to unify top international investors has become one more competitive advantage for Eurazeo. Through the links forged with these reputable partners, the company reinforces its global ecosystem in order to fund and ultimately sell the initially identified targets. Based on this same rationale, Eurazeo Patrimoine syndicated approximately 22% of its share in Grape Hospitality[1].

Following these successes, assets under management totaled €6 billion, of which nearly €1 billion for third parties. By boosting its overall financial reach by over 20%, third-party management adds to Eurazeo's capacity to act, and augments its investment power without recourse to debt, as well as its agility. It can thus invest in other opportunities and diversify its assets or plan more significant investments. These transactions make it possible to associate selected co-investors on a minority basis, without impacting the governance of companies. In the case of Eurazeo Capital II, co-investors hold 25% of Eurazeo's investment in seven unlisted companies of the Eurazeo Capital[2] division and in the future chocolate and confectionery company CPK. Thanks to its financial flexibility, the fund will also be able to help them with their build-up strategies.

> "We are accelerating our fundraising to boost our investment power and international exposure."
> Frans Tieleman

Lastly, this strategic activity generates annual recurring revenue of approximately €10 million, in the form of management and performance fees, which will likely increase with future fundraisings. Pursuing the ramp-up of this activity which will eventually concern all the divisions, Eurazeo is preparing a new fundraising operation for 2017, this time involving Eurazeo PME.

1. For €36 million at the end of February 2017.
2. Asmodee, Desigual, Neovia, Fintrax (initial investment of 20%), Les Petits Chaperons Rouges, Novacap and Sommet Education, for €340 million.

We

THE ART OF RECREATING companies

To add to its value creation options, Eurazeo has initiated a different type of investment this year: carve-outs. Rather than acquiring an existing company, the transaction consists in purchasing assets (brands, plants, recipes, etc.) from major groups and rebuilding a company for future development using this asset base.

PRODUCING CHAMPIONS

The ambition tied to these investments is powerful. The mid-term plan is to create major groups in their activity sectors; first by the revitalization of these assets thanks to numerous reinvestments and subsequently by purchasing other excellent yet dormant brands or assets.

ONE YEAR, THREE *CARVE-OUTS*

Eurazeo initiated three transactions of this type, two of which were finalized at the end of 2016:

- the creation of Grape Hospitality, which results in a major European player in the hotel business based on the purchase of 85 hotels in Europe from AccorHotels;
- and Sommet Education, with the goal of creating an international champion based on the acquisition of two world-renowned schools in the hotel management sector, Glion and Les Roches.

Moreover, Eurazeo has concluded agreements with Mondelez International covering the purchase of some ten iconic chocolate and confectionery brands: Poulain, Carambar, Krema, La Pie Qui Chante and Terry's, as well as the Pastilles Vichy, Rochers Suchard and Malabar licenses. The project also involves five production sites based in France and their teams. This acquisition is expected to be finalized in the first half of 2017.

PREPARATION TIME

In order to initiate these carve-outs and revive operations under optimum conditions, Eurazeo has chosen to invest in these projects prior to their acquisition, specifically by setting up an experienced management team, which will thus have a few months to prepare the launch. Guided and actively supported by the Eurazeo teams, the new management group rebuilds all the missing central functions and prepares the development plan. In this type of investment, greater time is required to find all the pockets of growth for the company.

DISTINCTIVE ASSETS

Eurazeo has substantial assets at its disposal to successfully complete these transactions: the necessary time and networks of experts, and the know-how of its investment teams such as its corporate group. And, of course, the financial resources needed to step up its investments.

"THE MID-TERM PLAN IS TO CREATE MAJOR GROUPS IN THEIR SECTORS."

INVEST

FEATS IN 2016

This year, Eurazeo has chosen to invest in 8 new company stories, with €833 million committed. These development stories are taking shape over the long term, based on solid and high-potential activities.

FARFETCH ▶

ON-LINE LUXURY

At the crossroads of the digital, luxury and brands sectors, and with an international client base, Farfetch has been developing with great momentum since 2008. Its multilingual platform offers an online distribution channel of over 1,000 brands and a network of 400 boutiques. Eurazeo Croissance provided $20 million to boost international development, particularly in the Asia-Pacific zone, which already represents 26% of revenue. •

◀ CPK

ICONIC CARAMBAR AND CO.

Carambar, Poulain, Krema, La Pie Qui Chante, Terry's, etc. Eurazeo Capital has entered into exclusive discussions with Mondelēz International to purchase more than 14 iconic European chocolate and confectionery brands, as well as five production sites in France. Prior to the acquisition process planned for the first half of 2017, Eurazeo has created the future company's Management Committee, an experienced team that is already at work revitalizing these iconic brands. Their roadmap: focus on innovation and commercial development to create a future European champion. •

NOVACAP ▶

WORLDWIDE ASPIRIN LEADER

Eurazeo Capital invested €163 million in equity to acquire 67% (49.4% after syndication) of Novacap, a global pharmaceuticals and chemicals leader that produces aspirin, paracetamol and sodium bicarbonate. Solidly established in Europe, very much present in Asia and active in the North American market, the group intends to reinforce its special products portfolio and carry out targeted acquisitions at the international level. Carbon was a particular focus in connection with the acquisition due diligence procedures.•

We

◄ SOMMET EDUCATION

PUTTING EDUCATION FIRST

The Swiss private schools Glion and Les Roches are among the top three hotel management schools in the world. In the buoyant education sector, Eurazeo Capital has invested €229 million to own 100% (75% after syndication) of these two institutions and create an independent group, Sommet Education, with the resources necessary to its development and capitalizing on its academic excellence and international reach. The objective is to produce a sector leader. •

OROLIA ►

THE WORLD OF SIGNALS

Eurazeo PME acquired 50% of Orolia, a world leader in resilient Positioning, Navigation and Timing PNT solutions, specialized in curing GPS type signals and make them fail-safe for critical applications. The group, which already generates more than 80% of its revenue internationally, will benefit from the financial and operational guidance necessary to seize new growth opportunities and consolidate its market. •

◄ MK DIRECT

HOME LINEN

With a market share of over 20%, MK Direct is the home linen leader in France with two expert brands that each have a strong identity, Linvosges and Françoise Saget. Eurazeo PME has invested alongside its management and now has a 54% stake. The sole cross-channel player in its sector, MK Direct, already present in Germany, Belgium and Switzerland, intends to accelerate the expansion of its brands in Europe and pursue the development of its business model in France. •

◄ ASSURCOPRO

PROPERTY COOP BROKER

AssurCopro is the French leader in joint ownership insurance brokerage and a historical player that pioneered the ultra-specialization of building ownership. With a 49.7% stake, Eurazeo PME became an equal shareholder this year along with the founders, and will assist the company with its geographical network based on three current regional hubs: Paris, Cannes and Nice. •

AND GRAPE HOSPITALITY TOO...

We ACCELERATE

EURAZEO IS AN ACTIVE SHAREHOLDER. THE COMPANIES ASSISTED BY OUR TEAMS ARE PROVIDED WITH THE HUMAN, TECHNICAL, AND FINANCIAL RESOURCES NECESSARY FOR THEIR DEVELOPMENT. STRATEGIC VISION, EXTENSIVE EXPERTISE, AND INTERNATIONAL NETWORKS AND LINKS ARE MOBILIZED TO HELP THEIR MANAGEMENT TEAMS DEAL WITH THE MULTIPLE CHALLENGES FACED BY COMPANIES: GLOBALIZATION, THE DIGITAL REVOLUTION, BUSINESS GOVERNANCE AND ETHICS, DECARBONIZATION OF ACTIVITIES, ETC.

A FLEXIBLE AND INTEGRATED ORGANIZATION

Four investment divisions and
a dedicated development team, cutting-edge corporate expertise,
international presence: we combine all these skill sets
to reveal the potential of companies.


We firmly believe that it is by combining our skills and resources with the entrepreneurial vision of the companies in which we have invested that we can fast-track their transformation and reveal their potential.
#WEAREMAKERS

We

OUR STRATEGY II/V

ACCELERATE DEVELOPMENTS

Working closely with the management teams of its companies, Eurazeo acts as an active and responsible shareholder. On the path of development, in a world of uncertainty and disruption, Eurazeo helps companies to realize the ambition defined at the time of the investment. A patient capitalist, Eurazeo provides the time, the expertise and the financial resources necessary to their success.

FROM VISION TO ACTION

Early cooperation to define the project

As a prerequisite to the investment, Eurazeo identifies the various levers that will reveal the company's development potential and create the value sought. The work begins from the moment the interest is acquired. The priority is then to formalize the roadmap, assemble all the expertise necessary and implement effective governance.

All the know-how of an active shareholder

As a trainer of champions, Eurazeo knows that the key to success lies partly in its ability to create the right conditions. It does more than simply conceive of the transformation or provide the capital necessary for its realization, it materializes the process by supplying the operational means to activate the levers that were identified upstream. Eurazeo adds its know-how to the talent of the companies' management teams. To help the company grow, quantitatively and qualitatively, or to overcome a difficulty, Eurazeo provides a range of top-notch expertise, tools, resources and networks that are the fruit of its vast experience; it is precisely this wealth of experience that makes Eurazeo unique. The interfacing with the companies it has invested in provides access to their best practices in terms of management: strategy, international expansion, financing, acquisitions, risks, etc. Eurazeo's contribution also covers rare expertise specific to private equity, namely: human resources, Corporate Social Responsibility, governance, technology and digital transformation. In 2016, this ability to provide support was particularly successful for the three carve-outs undertaken.

The time necessary

Eurazeo is not restricted by time. Thanks to its status as an investment company with solid equity, a debt-free balance sheet and significant available cash resources, it has a rare freedom of action. Throughout its business guidance, Eurazeo's decisions are essentially dictated by a long-term vision founded on an objective of creating value at a pace specific to this goal.

External growth, an essential development lever

Acquisitions are one of the key levers for accelerating growth, and are carried out by most of Eurazeo's shareholdings. Some thirty transactions were performed this year by

ACCELERATE

the investments for a total of €228 million. According to the case, the company finances a transaction on its own or calls for the support of its shareholder, whose responsiveness in relation to its cash position can sometimes be a distinctive advantage in seizing an opportunity.

Pushing back the boundaries of development

International expansion is a vital lever in a global economy. Although weak in Europe, growth has reached approximately 3% worldwide. Increasingly international, Eurazeo's companies are seeking and finding growth opportunities. Eurazeo supports them, particularly through its locations in Asia, South America, and now North America. In 2016, Eurazeo's presence in Shanghai allowed Europcar to create a global commercial partnership with Shouqi Car, one of China's car rental leaders, which was signed in early 2017.

Digitization in motion

With the appointment of a Chief Digital Officer, Eurazeo has become a pioneer in the world of private equity. Her role is to help the companies Eurazeo has invested in to deal with the paradigm changes arising from the digital revolution. Her assignment is to anticipate the emergence of disruptive models, identify the relevant technologies and create an ecosystem with the best expertise. In 2016, Eurazeo developed a flexible innovation-action methodology with the Flash Group to generate and test digital projects. Out of 12 potential projects, five have been prototyped to test the market's inclination. After nine months, three projects are in the production phase with very attractive commercial and financial prospects. Finally, a first Transformation Day was organized on the themes of digital technology and diversity so as to inspire the investment managers, who this year were also invited to Unexpected Sources of Inspiration, a special event open to contemporary thinkers, innovators and creators.

3 x

Our economic revenue was three times that of the Eurozone's GDP in 2016.

62%

International expansion represents an ever increasing part of Eurazeo's economic revenue (54% in 2015).

AND THE FUTURE?

New achievements for our companies in Asia, Latin America and the US with the support of our local competency centers.

Reinvestments to back up the growth transactions of our companies.

We

Focus on Eurazeo Capital

A leading player in the private equity market, Eurazeo Capital primarily invests in companies valued at over €200 million, whose transformation it can accelerate through its financial and operational support.

EXPANDING OUR HORIZONS IN A COMPETITIVE MARKET

The private equity market has an abundance of liquidity, and is experiencing an ongoing surge in major investors such as pension and sovereign funds. In this competitive environment, Eurazeo Capital has again demonstrated its ability to seize the best opportunities in France and Europe. Capitalizing on this momentum, it continued to expand its investment horizons towards the US, a vast market with a particularly vibrant economy.

INTENSE ACTIVITY

For Eurazeo Capital, 2016 was marked by a significant number of transactions that helped to diversify the portfolio, which is opening to new sectors: early childhood with Les Petits Chaperons Rouges, the second largest private nursery operator in France, with €137 million invested for 41% of the share capital (30.7% after syndication); healthcare, with 67% of Novacap (49.4% after syndication), a chemicals and pharmaceuticals leader, for €163 million; and finally, education, with the Swiss hotel management schools Glion and Les Roches for €229 million, a carve-out acquisition giving rise to a new group, Sommet Education. Based on the purchase of isolated assets, this new type of investment consists in creating future champions. It relies on the distinctive expertise of Eurazeo in terms of operational support for the companies. In addition to the new arrivals, the teams actively supported the division's companies, which posted sterling performances, such as the two-digit growth of Asmodee, Les Petits Chaperons Rouges or Moncler. Also noteworthy is the resilience of AccorHotels, Elis, Europcar and Fintrax, despite the impact of terrorist strikes on tourism. On the divestment side, Eurazeo Capital conducted four transactions amounting to €1,058 million. These transactions bring to a successful conclusion the transformation work carried out with the companies' management teams. Under optimum conditions (multiple of 2.4x the investment) Eurazeo Capital sold its stake in Foncia. There were two partial divestments involving equity stakes in Elis for 25% and Moncler for 5%, and multiples of 1.7x and 4.1x. In addition, the teams paved the way for the creation of Eurazeo Capital II, a co-investment fund that has raised €500 million since the beginning of 2017, in order to syndicate approximately 25% of the division's most recent investments.

Mid and large-sized companies

Unit amounts invested > €100 million

Portfolio companies

- AccorHotels
- Asmodee
- Desigual
- Elis
- Europcar
- Fintrax
- Les Petits Chaperons Rouges
- Moncler
- Neovia
- Novacap
- Sommet Education
- Banca Leonardo

Current investment

Purchase of some ten iconic European chocolate and confectionery brands

2017 OUTLOOK

In the first half, Eurazeo Capital should finalize its plan to acquire a portfolio of chocolate and confectionery brands (including Carambar, Krema, La Pie qui Chante, Poulain, etc.) from Mondelēz International Group. For 2017, the division's priorities will focus on the support of recently acquired companies and the development of its US activity.

ACCELERATE

From left to right:
Jean-Emmanuel Rodocanachi
Chairman and CEO
Les Petits Chaperons Rouges
Amandine Ayrem
Principal
Eurazeo Capital
Grégoire Leleu
Senior Associate
Eurazeo Capital

THE HAPPY STORY OF LES PETITS CHAPERONS ROUGES

With a network of 1,130 establishments, of which 330 managed directly, 4,000 certified professionals and 20,000 children welcomed in 2016, Les Petits Chaperons Rouges has been a key player in the private nursery sector in France for over ten years. A sector pioneer, the group is recognized for the commitment of its teams, its operational excellence, and the excellent quality of its social and pedagogical project. A great entrepreneurial success that Eurazeo Capital has been guiding since March 2016. "Les Petits Chaperons Rouges is at the crossroads of two long-term growth engines, education and women in the work force. These subjects are dear to Eurazeo, which is also committed in terms of sponsorship," says Amandine Ayrem, a Principal at Eurazeo Capital. Eurazeo invested €134 million in this high-potential company, acquiring a 41% interest alongside BPI France and the company's co-founder and Chairman and CEO Jean-Emmanuel Rodocanachi.

> "We were attracted by the innovative approach and talent of the Les Petits Chaperons Rouges teams."
> Marc Frappier

The shared ambition is clear: assist the group with the roll-out of its Chaperons 2020 corporate project.
Working with management, the Eurazeo Capital team identified three transformation levers to ultimately create a global early learning and education group: the consolidation of its business model in France, international expansion, through selective external growth, and digital technology, by offering innovative services relating to parenting.
Nine months after Eurazeo acquired its stake, the collaboration is already bearing fruit. Les Petits Chaperons Rouges opened 46 new nurseries in France and have embarked on an international venture. They have gained a foothold in two major European markets, Germany, with a stake in the Infanterix group, and the UK, with the acquisition of Magic Nurseries in early 2017. With 16% of their activity conducted internationally, Les Petits Chaperons Rouges is now the 4th largest European early childhood player. But this is only the beginning of what promises to be a very happy story...

EURAZEO CAPITAL TEAM

eurazeo Capital

1. **AMANDINE AYREM**
Principal

2. **RÉMI VIEL**
Associate

3. **EDOARDO FRACCHIA**
Senior Associate

4. **WILFRIED PISKULA**
Managing Director

5. **CÉLIA NATAF**
Senior Associate

6. **MARC FRAPPIER**
Managing Partner
Head of Eurazeo Capital

7. **MAXIME DE BENTZMANN**
Principal

8. **EDOUARD GUIGOU**
Managing Director

9. **VIVIANNE AKRICHE**
Managing Director
New York

10. **FRANCESCO ORSI**
Managing Director

11. **ERIC SCHAEFER**
Managing Director
New York

12. **GRÉGOIRE LELEU**
Senior Associate

13. **AMINA LAMLOUM**
Associate

HENRI DOMANGE
Senior Associate
New York

JUSTIN SCHLEGEL
Associate
New York

EURAZEO CAPITAL COMPANY RESULTS

Asmodee

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> 2014: Initial investment in January and additional investments to finance build-ups.
> 11 build-ups since acquisition: Dow, FFG (2014), Asterion, Pearl Game, Spot it!, Catane (2015), Enigma, F2Z, Heidelberger, Edge, Millenium (2016).
> Syndication in 2016 of 25.5% of Eurazeo's investment in Asmodee.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Fully-consolidated.
> 59.8% stake post syndication.
> €109.6 million invested post syndication.

GOVERNANCE

> **4 seats** on a 7-member Supervisory Board.
> **Audit Committee.**
> **Compensation Committee.**

ACTIVITY

Asmodee group is a leading international games publisher and distributor operating through subsidiaries in Europe, the United States, and China. Asmodee's best known titles, either published or distributed on behalf of publishing partners, include Catan, Ticket to ride, Splendor, Dobble/Spot it!, Star Wars: X-Wing, Pandemic, Dead of Winter, 7 Wonders, Dixit, Takenoko, Abyss, Timeline, Jungle Speed and The Werewolves of Miller's Hollow. In some European countries, Asmodee also distributes trading card games such as Pokemon, Magic, Yu-Gi-Oh!.

RESULTS

Continued robust organic growth and an ongoing international acquisitions policy

In 2016, Asmodee posted revenue of €377.2 million, up 39.5% on a reported basis compared to the previous year, and solid organic growth of 18.5% at constant scope and exchange rates.
The group's EBITDA totaled €65.2 million, resulting in a 17.3% margin. EBITDA increased by 57.5% on a reported basis (excluding discontinued operations) and 23.7% at constant scope and exchange rates. Pro forma of the external growth transactions carried out at the end of 2016 (F2Z, Heidelberger, Millenium and Edge), revenue in 2016 totaled €402 million and EBITDA amounted to €78.1 million, i.e. a 19.4% margin.
Net financial debt totaled €223.6 million following the June 2016 refinancing and the acquisitions at the end of 2016, i.e. a leverage now lower than 3.0x EBITDA.

Desigual

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in July 2014 and syndication of 25% of this investment on December 22, 2016.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Equity accounted 10% in 2016 (before syndication).
> 7.4% stake post syndication.
> €216.0 million invested post syndication.

GOVERNANCE

> **2 seats** on a 7-member Board of Directors.
> **Audit Committee.**

ACTIVITY

Desigual is an international fashion company which was founded in Barcelona in 1984. It is defined by its unique way of interpreting fashion and life, based on positive values such as creativity, fun and the celebration of difference, all of which are reflected in the brand's original, upbeat and colorful designs.
The company has more than 4,600 employees. It currently has stores in close to 100 countries through 13 sales channels and around 520 of its own stores and franchises, plus around 6,000 multi-brand stores, 2,200 concessions in department stores and nearly 4,500 new-category points of sale. It also boasts 19 of its own online stores and eight product categories: Women, Men, Kids, Accessories, Shoes, Living, Sport and Beauty.

RESULTS

2016 and 2017, two years of transition

2016 has been an intense year at Desigual with the strengthening of the management team (hiring of Alberto Ojinaga as Chief Corporate Officer), the implementation of a comprehensive 2-year cost savings plan (the efficiency plan) and the finalization and implementation of the new strategic plan (which includes ongoing work on the collections). The first results from the strategic plan should be visible in the second half of 2017, especially for the Fall-Winter collection. Desigual realized revenue of €860.5 million in 2016, down 7.8% compared to 2015. The fourth quarter recorded a fall of 11.1% and this trend continued in the first two months of 2017.
EBITDA amounted to €166.4 million, 16.8% down on last year. The devaluation of the euro against the US dollar weighed on the profitability of the group during the whole year 2016, as a significant portion of products is sourced in US dollar while revenues are mainly euro denominated. However, the implementation of the efficiency plan helped to partially compensate the erosion of the profitability. This plan will be pursued in 2017.
Despite the decline in the performance, the company generated €82.9 million of cash implying a net cash position of €380.7 million as of December 31, 2016.

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in October 2007.
> IPO on February 11, 2015 at a price of €13.00.
> Partial share sale during the IPO with an investment multiple of 1.2x and two sales in 2016 with an average multiple of 1.7x.
> Additional investment of €43.7 million in February 2017 on the share capital increase.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Equity accounted 17.0% in 2016.
> 14.2% stake included in the Net Asset Value.
> 16,215,587 shares included in the Eurazeo Net Asset Value at a share price of €15.60.

GOVERNANCE

> **3 seats** on a 9-member Supervisory Board.
> **Audit Committee.**
> **Compensation Committee.**

ACTIVITY

Elis is a leading multi-services group specialized in the rental and maintenance of professional clothing and textile articles, as well as hygiene appliance and well-being services in Europe and Latin America. With more than 21,000 employees spread across 13 countries, Elis consolidated revenue in 2015 was €1,415 million and consolidated EBITDA reached €446 million. Benefiting from more than a century of experience, Elis today services more than 240,000 businesses of all sizes in the hotel, catering, healthcare, industry, retail and services sectors, thanks to its network of over 300 production and distribution centers and 13 clean rooms, which guarantees it an unrivalled proximity to its clients

RESULTS

Revenue growth, sharp improvement in current net income and cash generation, accelerated international development

Revenue totaled €1,512.8 million, up 6.9% on a reported basis due to 2.7% growth on a comparable basis, the impact of acquisitions (4.7%) and a negative currency impact (0.5%).

Group EBITDA rose by 4.9% to €467.9 million. The EBITDA margin fell by 58 bp, partially in line with the declining EBITDA margin in France (-42 bp) and due to the negative mix impact: Europe excluding France and Latin America, regions with lower margins, posted a much higher revenue growth rate than France.

In 2016, current free cash flow totaled €104.5 million, up €47.6 million or 83.7% compared to the previous year. This reflected the group's solid operating performance, its discipline with respect to investments and the improvement in its debt conditions, with a significant decrease in paid interest during the year.

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Initial investment in May 2006.
> Additional investment in 2011.
> IPO on June 26, 2015 at a share price of €12.25 and a partial sale with a cash-on-cash multiple of 1.4x.
> Partial share sale during the IPO.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Equity accounted 48.7%.
> 42.2% stake included in the Net Asset Value.
> 60,545,838 shares included in the Eurazeo Net Asset Value at a share price of €9.40.

GOVERNANCE

> **4 seats** on a 10-member Supervisory Board.
> **Audit Committee.**
> **Compensation Committee.**

ACTIVITY

Europcar is the number one vehicle rental company in Europe and one of the leading mobility players in Europe. Present in over 140 countries, Europcar provides customers with one of the largest vehicle rental networks through its own operators, franchisees and partnerships. Europcar Groupe operates worldwide under its own brands Europcar® and InterRent®, its low cost brand. The group and its 6,000 employees place customer satisfaction at the heart of their mission, encouraging the constant development of new services. "Lab Europcar" was thus created to better understand the mobility challenges of tomorrow through innovation and strategic investments such as those performed by Ubeeqo or E-Car Club.

RESULTS

Europcar's growth strategy confirmed by its 2016 results

The group exceeded all its revised targets that were set in July 2016 following the 2016 first-half results. The group recorded revenue of €2,151 million in 2016, up 3.0% versus 2015. At constant scope and exchange rates, revenue rose by 2.6% (excluding the fuel impact), of which 3.4% in the fourth quarter. The volume of rental days totaled €59.9 million in 2016, i.e. a 4.9% increase compared to 2015.

Group revenue per rental day declined by 1.7%, mainly due to a 4.4% decrease within the Vans & Trucks activity, reflecting a strategic focus on extending utilization and rental duration. In 2016, adjusted Corporate EBITDA rose by 3.2% at constant exchange rates to reach €253.9 million, compared to €246.0 million at constant exchange rates in 2015, i.e. an adjusted Corporate EBITDA margin of 11.8%. Corporate net debt continued to decrease to reach €220 million as of December 31, 2016 (vs. €235 million as of December 31, 2015) as a result of the group's strong free cash flow generation and despite acquisitions and strategic investments totaling €47 million in 2016.

FINTRAX GROUP

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in December 2015.
> Syndication of 20% of this investment on December 22, 2016.
> Acquisition in September 2016 of e-Tax Free (Finland) without an additional investment by Eurazeo.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Fully-consolidated.
> 72.5% stake post syndication.
> €243.1 million invested post syndication.

GOVERNANCE

> **4 seats** on a 7-member Board of Directors.
> **Audit Committee.**
> **Compensation Committee.**

ACTIVITY

Founded in Ireland in 1985, Fintrax is the parent company of Premier Tax Free, one of the world's leading Tax Free Shopping companies helping eligible international travelers to claim back VAT on retail purchases. The company is also active in the Dynamic Currency Conversion (DCC) market, allowing international travelers to pay for goods and services in their own currency in shops, hotels or restaurants.
Fintrax operates in 33 countries, serving 14,000 retail merchants with over 150,000 points of sale. Its main clients include leading luxury and retail brands such as Chanel, Gucci, Dolce & Gabbana, Christian Dior, Michael Kors and Ralph Lauren and leading European stores such as DFS and Printemps.

RESULTS

A strengthened global player in 2016
The group recorded revenue of €223.4 million in 2016, up 5.6% on a reported basis and 8.4% at constant scope and exchange rates despite a particularly mixed environment.
In the Tax Free Shopping (TFS) market, Fintrax continued to benefit from its diversified exposure in European countries, reporting an 8% increase in the volume of refunded vouchers. This was mainly driven by high growth in tourist flows in Spain, the UK and Italy as well as new contract wins, whereas tourist tax free spending in France was lower.
In the Dynamic Currency Conversion (DCC) segment, Fintrax reported a solid performance, fueled by the UK and Latin America.
Overall, group EBITDA amounted to €42.6 million in 2016, up 3.8% on a reported basis and 8.7% on a comparable basis.
As of December 31, 2016, the net debt of Fintrax amounted to €238 million, *i.e.* a leverage of 5.6x.

LES PETITS CHAPERONS ROUGES by Grandir

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> 41% investment in March 2016.
> Syndication of 25% of this investment on December 22, 2016.
> Investment in 2016 in Infantérix (Germany) and acquisition of Magic Nurseries (United Kingdom).

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Equity accounted 41.1% in 2016 (before syndication).
> 30.7% stake post syndication.
> €106.1 million invested post syndication.

GOVERNANCE

> **2 seats** on a 7-member Board of Directors.
> **Audit Committee.**

ACTIVITY

Created in 2000, LPCR is a pioneer in employer-sponsored nurseries and is now the number two private player in the French nursery market, offering clients its Chaperons & Cie network of nearly 850 establishments, of which 250 are directly operated by the group. More than 900 clients (companies, public authorities and local communities) currently place their trust in LPCR. LPCR also stands out through its leading position in France in the growing Public Service Delegation and micro nursery segments. LPCR is recognized for its first-rate reception of families and its support with parenting, the professionalism and fervor of its teams and its solid educational project, based on the best educational trends.

RESULTS

Steady organic and external growth
Les Petits Chaperons Rouges posted revenue of €155.1 million in 2016, up 9.5% compared to the previous year.
The group's development was sustained by new nursery openings, almost 50 in 2016, with the number of certified places up by nearly 10% in the group's main segments.
Following its third quarter 2016 investment in the Germany-based company, Infanterix, the group pursued its international expansion with the acquisition of Magic Nurseries in the UK in January 2017. This chain of 16 establishments based north of London (Cambridge and Luton) and in the Midlands (Leicester and Northampton) welcomes more than 1,100 children aged 6 and under on a daily basis, employs more than 300 people and generates revenue of €11 million. It is traditionally renowned for the quality of its early childhood equipment, its educational program and its relationship of trust with families.
Les Petits Chaperons Rouges is also pursuing the consolidation of the French market by acquiring smaller groups across the country.

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in InVivo NSA in April 2015, renamed Neovia in 2016.
> Syndication of 25% of this investment on December 22, 2016.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Equity accounted 17.3% in 2016 (before syndication).
> 13.0% stake post syndication.
> €88.4 million invested post syndication.
> Acquisition of 11 companies without additional investment by Eurazeo (Adgène, Welgro and Btech in 2015, Agrindustria, Popular, Daavision, Pennville, Agranix, Nutrizon and Acui-T in 2016 and Sanpo in 2017).

GOVERNANCE

> **2 seats** on a 10-member Board of Directors.
> **Audit Committee.**
> **Compensation Committee.**

ACTIVITY

Neovia reports revenue of €1.6 billion and operates in seven business lines: complete feed, aquaculture, pet care, premix/firm services, additives & ingredients, animal health, and analysis laboratories. It has 72 production sites and 7,700 employees in 28 countries (as of June 30, 2016). Neovia offers an innovative and comprehensive approach to its businesses, which sets it apart and allows it to seek sustainable growth and fulfil three major missions: propose high added-value solutions and services to animal nutrition and health players, guarantee the quality and traceability of feed and combine innovation and the reasonable use of resources.

RESULTS

Slowdown in the second half of 2016 due to Brazil and ongoing external growth

In 2016 (calendar year), Neovia reported revenue of €1,607.5 million, up 5.9% on a reported basis compared to the same period last year and 5.5% at constant scope and exchange rates.

EBITDA rose by 1.0% on a reported basis to €92.6 million over the period. The EBITDA margin totaled 5.8%, down by 28 basis points compared to 2015.

At constant scope and exchange rates, EBITDA fell by 3.5%, mainly hindered by Brazil.

Neovia's net debt stood at €176.8 million as of December 31, 2016, compared to €90.7 million as of December 31, 2015, following the numerous external growth transactions carried out by the group during the period and investments to develop the company's production facilities.

As of December 31, 2016, pro forma of the acquisitions, debt leverage stood at 1.8x.

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in June 2016.
> Syndication of 25% of this investment on December 22, 2016.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Fully-consolidated.
> 49.4% stake post syndication.
> €122.9 million invested post syndication.

GOVERNANCE

> **6 seats** on a 11-member Supervisory Board.
> **Audit Committee.**
> **Compensation Committee**.

ACTIVITY

Novacap is a global group producing and distributing active pharmaceutical and essential chemical ingredients that are used in everyday products. Novacap is the main supplier of more than 750 customers worldwide.

The group proposes a wide range of active ingredients including salicylic acid and aspirin, for which it is the global world leader, methyl salicylate and paracetamol, as well as sodium bicarbonate, sodium bicarbonate, phenol and oxygenated solvents.

Novacap targets a wide range of demanding and growing end-markets where the group enjoys leading positions, such as the pharmaceutical and healthcare, food and feed, cosmetics and fragrances, home care and environment sectors. Novacap is headquartered in Lyons (France). It employs around 1,600 people across 14 industrial facilities worldwide and has a global sales network.

RESULTS

Stable EBITDA in 2016

In 2016, Novacap posted revenue of €637.8 million, down 0.7% on a reported basis and 3.5% at constant scope and exchange rates compared to the previous year. This decline in revenue was primarily due to the fall in the price of certain products indexed to the price of oil and its by-products.

On a constant scope basis, adjusted EBITDA remained stable at €91.5 million compared to the previous year and decreased by 2.1% at constant scope and exchange rates. The Pharmaceuticals & Cosmetics division was hindered by a difficult market for Para-Aminophenol (PAP), produced upstream of paracetamol, and falling volumes in certain other division products. These negative impacts were offset at group level by the sound performance of two other divisions: Mineral Specialties and Performance Chemicals.

At the year-end, the group's net debt totaled €427 million, with the debt leverage stable at 4.7x.

SOMMET EDUCATION

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment on June 14, 2014 and syndication of 25% of this investment on December 22, 2016.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> Fully-consolidated.
> 75.0% stake post syndication.
> €174.4 million invested post syndication.

GOVERNANCE (SECOND-HALF 2017)

> **3 seats** on a 6-member Board of Directors.
> **Audit Committee.**

ACTIVITY

Known for excellence in cultivating the hospitality leaders of tomorrow, Sommet Education encompasses a distinguished group of institutions united by a fundamental belief in the importance of academic rigor, skills-based learning and a dynamic multicultural outlook. Sommet Education institutions Glion and Les Roches serve students from more than 100 countries, preparing them to be immediately operational in their professions, wherever in the world these may be.

RESULTS

Construction of a new education group

Sommet Education posted restated revenue of 164.3 million Swiss francs, down 2.0% compared to 2015, within a context of relatively stable prices. In 2016, the group reported a restated EBITDA of 25.1 million Swiss francs, a decline compared to 2015 (27.9 million Swiss francs).

The decline in adjusted revenue and EBITDA was attributable to 1) the fall in the number of new student enrollments in 2016 following the lack of time and money invested in advertising; 2) the ongoing transition period, marked by the set-up of the current organization and 3) the considerable investment in talent in recent months.

The new management team's priority is to revitalize the group's business in the coming months. The first results should be visible in 2018. The first results should be visible in 2018. Sommet Education net debt amounted to 119.2 million Swiss francs as of December 31, 2016, i.e. a leverage of 4.7x restated EBITDA.

In 2016 and at the beginning of 2017, Sommet Education reached an important milestone in the creation of a leading group by filling various key positions of its management team: Benoît-Etienne Domenget, as Chief Executive Officer of the group, Fabien Fresnel, as Chief Operating Officer and Pete Shemilt, as Vice-President Marketing and Enrolment of the group. In addition, Sommet Education has progressed considerably in forming an autonomous group, with notably the creation of new shared services.

ACCORHOTELS
Feel Welcome

INVESTISSEMENT EURAZEO

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in May 2005, jointly with Colony Capital and in 2008.
> 2010: Accor/Edenred demerger and Edenred IPO.
> 2013: sale of Edenred with a cash-on-cash multiple of 2.0x.
> 2015: sale of 11.0 million shares with a cash-on-cash multiple of 2.0x.
> 2017: end of shareholders' agreement with Colony Capital.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> 3.7% stake.
> 10,510,003 shares included in the Eurazeo Net Asset Value at a share price of €35.29.
> AccorHotels was removed from the Eurazeo scope of consolidation on November 15, 2016 based on the June 30, 2016 accounts (as of September 30, 2016 for economic revenue) due to the loss of significant influence following Colony's decision to sell its shares and the end of the resulting joint action.

MONCLER

EURAZEO INVESTMENT

OUR INVESTMENT HISTORY

> Investment in October 2011.
> IPO on December 13, 2013 at a share price of €10.20 and a partial sale with a cash-on-cash investment multiple of 2.8x.
> Partial sale in 2015 with a multiple of 4.6x.
> Partial sale in 2016 with a multiple of 4.1x.

OUR INVESTMENT AS OF DECEMBER 31, 2016

> 7.9% stake.
> 19,863,814 shares included in the Eurazeo Net Asset Value at a share price of €16.37.
> Moncler was removed from the Eurazeo scope of consolidation on October 14, 2016 based on the June 30, 2016 accounts (as of September 30, 2016 for economic revenue) due to the loss of significant influence, notably following the expiry of the initial shareholders' agreement.

BANCA LEONARDO

EURAZEO INVESTMENT

> Investment in May 2006.
> €110 million invested for a 18.3% stake.
> Non-consolidated company.
> Banca Leonardo is an independent private bank and a pure asset manager player.

We

Focus on Eurazeo PME

Small and medium-sized enterprises

Unit amounts invested of €25 million to €100 million

Eurazeo PME invests in and supports the development of small and medium-sized enterprises that lead their markets and have a great ability to carry out growth transactions.

A MORE FAVORABLE ENVIRONMENT

With 3,400,000 companies in France, of which 95% have less than 10 employees, the French economy is dominated by small and medium-sized enterprises. The challenges relating to their consolidation, development and competitiveness make this segment a naturally promising market for investors. There were even more investment opportunities in 2016.

A STRONGER PORTFOLIO

2016 was a very active year for the SME division. This momentum was evidenced by the acquisition of three new companies that lead their markets and support long-term development projects. Eurazeo PME thus acquired a 54% interest in MK Direct, leader in home linen in France with the Linvosges and Françoise Saget brands, for a consideration of €49 million. It also invested €44 million for a 50% stake in Orolia, world leader in resilient Positioning, Navigation and Timing (PNT) solutions. Finally, Eurazeo PME acquired 50% of AssurCopro, the French leader in joint ownership insurance brokerage, for a consideration of €55 million. A solid investment momentum that diversified the portfolio. The year was also marked by the vitality of the transformations initiated with the team support of companies in which Eurazeo PME holds stakes. All these companies pursued their development through organic or external growth, including Vignal Lighting Group; the Colisée group, specializing in care for the elderly, has set up in Italy; Dessange International has extended its activities to Germany and the UK; Péters Surgical, no. 4 worldwide in surgical sutures, added to its offering with the purchase of Vectec, a specialist in laparoscopic single use devices. The transactions conducted in 2016 also centered on operational efficiency. Léon de Bruxelles, for example, expanded its development team, while Flash International Group, the premium freight leader, reinforced its digital platform through investment.

2017, WE CONTINUE ON TARGET

Backed by its organization and the support of its corporate teams, Eurazeo PME will continue to accelerate the transformation of its portfolio companies. Under its impetus, AssurCopro has already announced the acquisition of Interassurances, a specialist in rent guarantee insurance, in early 2017, and Flash International Group that of EF Express, also a premium freight player[1], in Germany.

1. Same day and time sensitive transport.

Portfolio companies

Portfolio companies
AssurCopro
Colisée
Dessange International
Groupe Flash
Léon de Bruxelles
MK Direct
Orolia
Péters Surgical
Vignal Lighting Group

The percentage interests mentioned for Eurazeo PME correspond to the percentages acquired by the Eurazeo PME II funds, in which Eurazeo has a 70% stake.

ACCELERATE

From left to right:
Jean-Louis Coutin
Chairman of Vignal Lighting Group
Joanne Dubail
Principal
Olivier Millet
Chairman of the Executive Board of Eurazeo PME
Member of the Eurazeo Executive Committee
Pierre Meignen
Managing Director

VIGNAL LIGHTING GROUP
ACTIVE ON SEVERAL FRONTS

Accompanied by Eurazeo PME since 2014, Vignal Lighting Group is the European leader in lighting and signaling for industrial and commercial vehicles. It has 400 employees and generated €83 million in revenue this year, 75% of which internationally. The group has already undergone a comprehensive transformation in less than three years with the help of Eurazeo PME, which accompanies its external growth and international expansion. "It is our business to identify potential champions and we also share this expertise with our portfolio companies," states Olivier Millet, Chairman of the Eurazeo PME Executive Board.

Vignal had already acquired ABL Lights in 2014, anticipating the shift to LED. A new external growth transaction was initiated in September 2016 with the purchase of the Swiss company CEA, which manufactures safety products for special vehicles (beacons and bar lights in particular). The group will thus be able to complete its product range, while bolstering certain European market positions, particularly in the agricultural sector. At the same time, Vignal invested in its production tool in France, building a new 11,500 m2 industrial site in Corbas, near Lyon. The site's design illustrates the company's strategy, which places corporate social responsibility as a value driver right at the heart of its approach. The Vignal Lighting Group business model has two pillars: a global product concept to minimize development costs and local manufacturing to accompany its clients as closely as possible, taking into account economic challenges and limiting the environmental impact. It was therefore decided to invest in plants meeting the world's highest standards in Europe, North America and soon Asia, in close proximity to markets. A new production site will open in China in 2017, in order to serve rapidly expanding markets. Vectors of long-term growth, these projects are fully supported by Eurazeo PME, in particular thanks to Eurazeo's competency center in Shanghai.

> "We are pleased to have contributed to the growth of this company for nearly three years; now it can meet numerous challenges."
>
> Pierre Meignen

EURAZEO PME TEAM

eurazeo PME

1. **RAFAELLE FAIBIS**
   Senior Associate

2. **MATHIEU BETRANCOURT**
   Principal

3. **ERWANN LE LIGNÉ**
   Managing Director

4. **EMMANUEL LAILLIER**
   Managing Director, Member of the Executive Board

5. **CLÉMENT MORIN**
   Senior Associate

6. **OLIVIER MILLET**
   Chairman of the Eurazeo PME Executive Board

7. **PIERRE MEIGNEN**
   Managing Director

8. **ELISABETH AUCLAIR**
   Chief Financial Officer, Member of the Executive Board

9. **PAUL VAISSIÉ**
   Principal

10. **JOANNE DUBAIL**
    Principal

Absent from the photograph:

PATRICE HENRY
Operations Director

CLARA CHATILLON
Financial Controller

NICOLAS BECQUE
Fund manager

DIVISION COMPANIES

AssurCopro is the French leader in insurance brokerage dedicated to condominiums. AssurCopro has forged strong historical relations with insurance companies and more than 1,600 property managers in France. AssurCopro boasts renowned service quality due to its client proximity, hyper-specialization and quick responsiveness. In 2016, AssurCopro posted a business volume of €95 million, up more than 10%.
AssurCopro also completed an external growth transaction with the acquisition of InterAssurances in December 2016.

Groupe Colisée is the fourth largest French player in the retirement home sector. It manages 77 establishments which house nearly 6,000 residents. A key player in the retirement home sector in France, Groupe Colisée operates in the residential care homes for the elderly sector and the health sector with rehabilitation and recuperative care facilities. In 2016, the group acquired Nouvel Horizon Service and Bien à la Maison, becoming the French leader in the home care sector.

With nearly 1,900 salons in more than 50 countries, the group builds on its image and the expertise of the Dessange brand, while focusing growth, backed by Eurazeo PME, on its chain of top-end Camille Albane salons and the leading family segment chain in the United States, Fantastic Sams.

Group Flash is the European leader in same day and time sensitive transport for major industrial companies, as well as SMEs and e-commerce thanks to its digital platform. Flash has long-standing relations with Europe's Top 500 industrial companies, with over 500,000 shipments annually, relying on a fleet of more than 6,000 drivers throughout Europe. Flash generated revenue of €170 million in 2016. The group's core business, Premium Freight, has developed substantially both in France and internationally. In July 2016, Flash sold its non-core subsidiary Biologistic.
On February 1, 2017, Groupe Flash acquired the EF Express group, which operates in the same sector, primarily in Germany but also in Portugal and Poland.

This ambassador of mussels and chips and Belgian brasserie specialist is one of the preferred theme-based restaurant chains in France. The brand focuses on the warm atmosphere of its 81 restaurants, which welcome nearly 16,000 customers every day and its authentic menu and recipes.

Linvosges and Françoise Saget are expert brands specialized in home linen, with a strong identity that combines quality and creativity. A certified *Entreprise du Patrimoine Vivant* (Living Heritage Company), Linvosges has its own workshop in Gérardmer (Vosges). Located in Les Fougerêts (Brittany), Françoise Saget offers one of the market's most extensive product ranges.
A versatile business model combining a catalogue, the web and a national network of boutiques, positions the group as the sole cross-channel player in its sector. The leader in France with a market share of over 20%, MK Direct currently has more than five million customers. MK Direct is already established in Germany, Belgium and Switzerland.

Péters Surgical designs, produces and distributes single-use medical equipment for operating rooms. In addition to surgical sutures, its main product ranges are implants for parietal reinforcement, surgical glue and hemostatic clips. 3,000 products are marketed and distributed in over 90 countries. Following the acquisition of Stéricat in India in 2015, Péters acquired Vectec in December 2016, a specialist in laparoscopic surgical products.

Vignal Lighting Group, the European leader in signaling lights for industrial and commercial vehicles, was formed by the merger of the European leader in signaling lights for industrial and commercial vehicles and the number two company in Europe and the United States for work lights for off-road vehicles, with operations in France, the United States and China. The merger of these two leaders will accelerate the group's growth internationally, leveraging their strong business synergies, and the technical switch to LED lighting. In 2016, the group acquired the Swiss company, CEA, a specialist in safety products such as beacons.

Orolia is a world leader in reliable GPS-type signals, enabling the proper functioning of the most critical positioning, navigation, timing, and synchronization solutions. It provides these technologies to public or private customers, whose systems and infrastructures demand the highest levels of precision, quality and availability. Since its creation in 2006, and through nine acquisitions, the company has a strong it international presence, with 88% of its revenue generated outside of France in 2016.

We

Focus on Eurazeo Croissance

Start-ups and growth companies

Unit amounts invested of €15 million to €20 million

Dedicated to growth equity, Eurazeo Croissance assists rapidly developing companies as a minority shareholder, specifically investing in sectors undergoing a transformation in terms of digitization and new lifestyle and consumption patterns.

A HIGHLY DYNAMIC MARKET

The investment segment of Eurazeo Croissance is developing significantly, stimulated by the digital explosion. It attracts new players alongside historical venture capital investors, particularly major corporations and private equity funds. In this market dominated by fundraising, Eurazeo Croissance most often leads transactions involving tens of millions of euros, in order to support the up-scaling of companies that have already demonstrated the potential of their business model. In addition to its financial support, the distinctive nature of Eurazeo Croissance stems as much from its development know-how as its international presence, crucial levers to assist entrepreneurs in materializing their vision from an operational perspective.

SOLID ACHIEVEMENTS IN 2016

Eurazeo Croissance currently has a diversified portfolio. Each of its companies continued to implement market gain strategies in 2016. Younited Credit (formerly Prêt d'Union), a peer-to-peer platform specialized in consumer lending, expanded its management team and enriched its product offering to become the market benchmark with regard to financing terms and service quality; it has also changed names to facilitate its European expansion. PeopleDoc, one of the pioneers of the Software as a Service (SaaS) market dedicated to human resources, also stepped up its roll-out in France and the US and began its expansion in the UK and Germany. Vestiaire Collective conducted a significant optimization of its customer experience and boosted its positions in the European market, which it now leads, and the US. IES Synergy, manufacturer of electric vehicle chargers, took advantage of the Chinese market's momentum, while winning major contracts in Europe and the US. In renewable energies, Fonroche finalized the construction of its first photovoltaic plant in Puerto Rico and recorded the first biogas sales from its Villeneuve-sur-Lot anaerobic digester. Lastly, a new investment was completed during the fundraising for Farfetch, an online shopping platform connecting brands and multi-brand boutiques with customers in nearly 190 countries. Based on a $25 million investment, Eurazeo Croissance is thus supporting the ramp-up of an innovative model with strong growth potential, combining luxury goods and digital technology.

Portfolio companies
Farfetch
Fonroche*
IES Synergy
I-Pulse
PeopleDoc
Vestiaire Collective
Younited Credit

* Investment assigned to the Eurazeo Patrimoine division as of February 2017.

NEW PROSPECTS IN THE US IN 2017

In addition to backing its portfolio companies on a human and financial scale, the challenge for Eurazeo Croissance will be to pursue selective development. Eurazeo's foothold in the US will serve as a local intermediary to division companies that are naturally oriented towards this market; it will also fast-track the identification of new investment opportunities.

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ACCELERATE

From left to right:
Sébastien Fabre
Founder and CEO of Vestiaire Collective
Yann du Rusquec
Managing Director, Head of Eurazeo Croissance

A FRENCH SUCCESS STORY

Launched in October 2009, Vestiaire Collective has become a star fashion tech company, selling pre-owned luxury fashion and accessories on-line. Its platform currently unites some 6 million members in 48 countries and registers more than 100,000 new customers each month. The company, which developed very rapidly following its launch, has again accelerated its growth since the €33 million fundraising conducted in 2015, which allowed it to establish a US foothold. Eurazeo Croissance has since assisted the company in changing scope as it consolidates its leadership worldwide. Vestiaire Collective thus benefits from the operational guidance of Eurazeo Croissance and its international presence, particularly regarding the analysis of acquisition opportunities.

In a further effort, Vestiaire Collective has prepared another fundraising for a total of €58 million, which took place in January 2017, of which €12.5 million to be reinvested by Eurazeo Croissance. Vestiaire Collective will now be able to consolidate its European positions, continue its US development and extend its activities to new markets in the Asia-Pacific zone. With offices in Paris, New York, London, Berlin, Milan and Barcelona and 210 employees, the company plans to create 120 positions over the next eighteen months.

> "Vestiaire Collective has all the advantages and resources to boost its leadership in a promising sector via its innovative model, in line with changing consumer patterns."
> Yann du Rusquec

THE EURAZEO CROISSANCE TEAM

eurazeo croissance

1. **GUILLAUME D'AUDIFFRET**
Senior Associate

2. **YANN DU RUSQUEC**
Managing Director
Head of Eurazeo Croissance

3. **ELINA BERREBI**
Senior Associate

DIVISION COMPANIES

Founded in 2008, Farfetch is an online market place connecting brands and multi-brand boutiques with customers in nearly 190 countries. The website offers a catalogue of more than 100,000 items, including some of the most prestigious in the market, and brings together over 500 multi-brand boutiques and 150 brands that use the platform directly. Since its launch, the company has expanded exponentially, thanks to its innovative multi-channel model and has developed the most extensive global catalogue in the sector. Farfetch is headquartered in London and also has offices in New York, Los Angeles, Porto, Guimarães, Moscow, Tokyo, Hong Kong, Shanghai and Sao Paulo.

A technology company with globally recognized expertise, IES Synergy designs and manufactures chargers for industrial vehicles, electric cars and charging stations. The company operates in a high growth market and aims to become a leading player in charging solutions for electrical vehicles. Founded in 1992, IES Synergy has established a strong position in its traditional industrial vehicle charging market. It has progressively extended its range of onboard charges for electrical cares and external high power charging stations, whatever the connection standard. IES's customer base includes large car manufacturers such as Renault, Volkswagen, BMW and General Motors.

Founded in 2007, I-Pulse has developed innovative technologies in power electronics with applications in many sectors (oil, mining and metallurgy), lowering operating and production costs, while improving energy and environmental footprints. I-Pulse operates internationally in these different sectors and currently employs around 100 people worldwide, based mainly in Toulouse (France).

Founded in 2007, PeopleDoc is a pioneer in HR software as a service (SaaS). In 2009, the publisher launched the first ever secure HR digital strongbox for companies and their employees. This marked the beginning of HR service outsourcing with the digitalization of pay slips. PeopleDoc rapidly became a leading expert in the digital transformation of HR processes, thanks to its innovative technology and its responsiveness to the needs of its clients. Today, its HR digitalization platform automates and improves all HR administrative processes. More than 2.5 million employees worldwide access HR information and connect with their HR Department using PeopleDoc. Clients enjoy major benefits in terms of productivity and security and reducing their environmental footprint.

Vestiaire Collective was launched in 2009 with the aim of offering a community platform on which members are able to buy and sell top-of-the-range and pre-owned luxury clothes and accessories. The catalogue is comprised of the most inspiring items from the wardrobes of hundreds of thousands of users throughout the world. This selection meets the specific expectations of buyers throughout the world by offering a permanent catalogue of 600,000 products. The site stands out for its unique quality control: 100% of the products are physically checked by a team of experts. More than 100,000 new members sign up each month, to join an international community of 4 million members. To date, 200 people are employed by the start-up in offices in Paris, New York, London, Berlin, Milan and Barcelona.

Younited Credit* is an internet peer-to-peer lending platform which enables investors-lenders (physical persons or legal entities) to directly finance consumer loans to European households. Its 100% web-based banking disintermediation model enables the company to remove all the complexity and costs of the traditional banking system to offer attractive rates of return to investors-lenders and competitive loan rates to borrowers. The only internet peer-to-peer lending platform in Europe with its own credit institution authorization, Younited has provided more than €440 million in financing since its commercial launch in December 2011.
Younited currently has 150 employees and operates in France, Italy and Spain.

** Assigned to the Eurazeo Patrimoine division from February 2017.*

We

Focus on Eurazeo Patrimoine

Specializing in real asset investment and management, particularly real estate, Eurazeo Patrimoine is deploying its investment strategy in niche markets chosen for their high potential, as demonstrated by its stakes in high value-added real estate, hotels and photovoltaic energy.

EMERGING FROM AN ADVERSE ECONOMIC ENVIRONMENT

In 2016, low interest rates added to the economic pressure on real estate and private equity markets, resulting in substantially higher asset prices and a strain on certain market segments. In order to create sufficient value, and using its expertise, Eurazeo Patrimoine has opted to position itself at the crossroads of the private equity and real estate markets, where there are few investors. The division is thus rolling out a selective investment strategy in niche assets that show promise, supporting their development in terms of operations.

2016, A CHOICE INVESTMENT

2016 demonstrates the relevance of this choice: in July, following a private sale, a portfolio of 85 budget and mid-range hotels in eight European countries was acquired via a €154 million equity carve-out investment. The portfolio, with an asset value of €504 million, was regrouped within a new company known as Grape Hospitality, primarily held by Eurazeo and AccorHotels, with respective stakes of 57% and 29% after syndication. The ambition is to transform this new platform into a group leader in Europe.

Real assets, particularly real estate

Unit amounts invested > €25 million

Portfolio companies

ANF Immobilier
CIFA Fashion Business Center
Colyzeo
Grape Hospitality
Fonroche Solaire since February 2, 2017

PERFORMANCES THAT MET EXPECTATIONS

The advances made by its other portfolio companies confirm the potential of the Eurazeo Patrimoine business model: investment in quality assets that are enhanced through active transformations. CIFA, a clothing wholesale center in Aubervilliers, thus posted positive results in terms of occupancy rate and rental return, following investments to improve its operation and image. The listed company ANF Immobilier, in which Eurazeo is a 53%[1] shareholder, recorded growth in consolidated revenue (+ 4%) and recurring net income (+ 11%), despite an economic slump. This success is the result of the year's major transactions in Lyon, namely the delivery of two city-center retailers with a surface area of 2,500 m^2 and the 13,000 m^2 Adecco building.

2017, CONSOLIDATE THE PORTFOLIO

Eurazeo Patrimoine will continue to optimize and develop the investments and assets in its portfolio. 2017 will also see the completion of its move into renewable energy with the arrival of Fonroche Solaire, created from a spin-off of the Fonroche group, formerly a Eurazeo Croissance investment. The new entity was renamed Reden Solar in March 2017.

1. Percentage adjusted for treasury stock as of December 31, 2016.

ACCELERATE

From left to right:
Thierry de Montesquiou
Associate
Renaud Haberkorn
Managing Partner
Chief Investment Officer
Eurazeo Patrimoine
Frédéric Maman
Managing Director
Frédéric Josenhans
Chairman of Grape Hospitality
Pierre Larivière
Senior Associate

GRAPE HOSPITALITY
BRIGHT FUTURE FOR THE HOTEL BUSINESS

Investing in tangible assets with true transformation potential, Eurazeo Patrimoine competed a major transaction this year: the creation of a new European player in the hotel sector based on a carve-out. On July 1, 2016, Eurazeo Patrimoine effectively acquired the business and premises of 85 budget and mid-range hotels from AccorHotels and various investors. Located in eight European countries, including France, the hotel portfolio comprises over 9,000 rooms and 2,000 employees for revenue of €215 million in 2015.The hotels have been regrouped within a new company called Grape Hospitality and are operated under the Ibis, Mercure, Novotel, and Pullman brands. Eurazeo Patrimoine and AccorHotels, which is both franchiser and co-shareholder, have thus created a major new player with significant development ambitions. Like a start-up, this platform was developed at Eurazeo prior to the acquisition.

> "The very essence of private equity, a carve-out is truly entrepreneurial in approach."
> Renaud Haberkorn

Phase one: recruitment of the future Grape Hospitality management team, comprising hotel and real estate professionals and coordinated by Frédéric Josenhans, former CEO of the Mercure and Novotel brands. Over a six-month period, this small team created the legal structures and set up all the central functions, from IT to cash management and financing, and from HR management to revenue management. Now an independent platform, Grape Hospitality has begun to activate its growth drivers with the support of Eurazeo Patrimoine: a €120 million renovation and repositioning program over the next two years, as well as commercial initiatives and partnerships to optimize and develop revenues. These prospects for value creation will rely on its hotel operational expertise, its asset management know-how and portfolio expansion opportunities.

THE EURAZEO PATRIMOINE TEAM

eurazeo patrimoine

1. **PIERRE LARIVIÈRE**
Senior Associate

2. **THIERRY DE MONTESQUIOU**
Associate

3. **RENAUD HABERKORN**
Managing Partner
Chief Investment Officer
of Eurazeo Patrimoine

4. **FRÉDÉRIC MAMAN**
Managing Director

DIVISION COMPANIES

ANF Immobilier is a listed real estate investment company with a diversified portfolio of offices, stores, hotels and housing in France. It is a transformation real estate company, focused on tertiary real estate, value creation and supporting dynamic regional cities. It currently operates in Bordeaux, Lyons and Marseilles. Listed on the Euronext Paris Eurolist B market and included in the EPRA real estate reference index, ANF Immobilier is a Eurazeo group company.

COLYZEO

Eurazeo invested in Colyzeo I and Colyzeo II, European funds whose day-to-day operational administration is managed by Colony. Colyzeo targeted investments in Western Europe, with a predominant real estate component. These transactions may consist of acquiring real estate assets or investing in development projects and companies with underlying real estate assets.

CIFA Fashion Business Center was founded between 2006 and 2014 as an alternative to the textile districts in Paris (Sentier area and 11th district in Paris), and to support the more upmarket wholesalers in Aubervilliers. The shopping mall offers nearly 38,000 m^2 of B to B wholesale shopping. The high occupancy rate (around 95%) provides recurring rental revenue based on current commercial leases. CIFA's tenants have a strong customer base of multi-brand and mid-range fashion retailers and they display ready-to-wear clothing for men and women, leather goods, shoes and jewelry in their showrooms. CIFA offers many advantages for its tenants and their customers: excellent accessibility, which will be improved with the forthcoming opening of two new metro stations as part of the Greater Paris network, 1,500 parking spaces and private roads for easy parking and driving, 24 hour security, etc.

Grape Hospitality is a platform dedicated to the hotel business, owned primarily by Eurazeo (57%) and AccorHotels (29%) and comprising a portfolio of 85 budget and mid-range hotels – both premises and business – representing more than 9,000 rooms, located in France and the major cities of seven other European countries (Germany, Austria, Belgium, Spain, Italy, the Netherlands, and Portugal). These hotels are all AccorHotels franchises (Ibis Budget, Ibis Styles, Ibis, Mercure, Novotel, and Pullman). Grape Hospitality has the necessary resources to renovate the portfolio of hotels thus created. Headed by Frédéric Josenhans, former Managing Director of Mercure and Novotel, and accompanied by a team of professionals, the platform aims to capitalize on the high value creation potential of the existing portfolio and ultimately acquire other hotels or hotel portfolios under different brands, that are complementary and offer interesting growth prospects.

FONROCHE SOLAIRE

A key player in the renewable energies sector, Fonroche announced the spin-off of its businesses into two groups: geothermal and biogas activities, retained by the founders and solar activities, now independent and controlled by Infravia Capital Partners and Eurazeo.
At Eurazeo, the company previously supported by Eurazeo Croissance will henceforth be guided by Eurazeo Patrimoine, the division mainly specialized in investing in real asset companies.
Fonroche Solaire, which will be renamed in the near future, is a key player in the photovoltaic energy sector both in France and internationally. Through its triple expertise as an investor, developer and producer of photovoltaic energy, Fonroche Solaire operates across the sector's entire value chain. The group currently controls an asset base representing approximately 200 MW of production capacity, 107 MW of which was in operation at the end of 2016 with significant growth prospects. In addition to its presence in France and its expertise in power plants on buildings, Fonroche Solaire is also focusing its development on the international market and particularly Porto Rico, with the connection of its first plant at the end of 2016 (26 MW) and plans to expand the scope of its activity to encompass ground power plants developed on damaged land.

We

Focus on
Eurazeo Corporate

A product of the Eurazeo management teams, the Eurazeo corporate team now actively supports the investment teams, particularly in terms of guidance. It currently represents one of Eurazeo's distinctive asset.

SELECT PROFILES

For nearly ten years, Eurazeo has endeavored to create a top-notch team made up of professionals who are both fully functional and experienced in best practices. The team now has some forty members and its areas of expertise are expanding each year to meet the challenges faced by companies. The Eurazeo corporate team has cutting-edge know-how regarding all major company functions: HR, accounting, audit, management control, finance, legal, risk management, compliance, CSR, IT, digital, project management, communication and, since 2016, safety.

FULLY INTEGRATED WITHIN THE BUSINESS

Initially intended for the company's management, this expertise has been progressively deployed at the very core of Eurazeo's business. Supporting the divisions, the corporate team is associated with all stages of the investment cycle: upstream, to identify risks and specify due diligence procedures; on the acquisition, to assist the investment teams with legal and tax structuring, negotiations and financing; during the transformation phase, to monitor certain improvement projects in support of the investment teams, participate in the design and monitoring of mechanisms to ensure exemplary governance, assist with the recruitment of managerial talent or contribute best practices in terms of steering tools, etc. Some of these services are also provided for exits where applicable. Eurazeo thus features an advisory component that is rarely seen in private equity companies.

A wide range of expertise

- Communication
- Accounting
- Consolidation
- Management control
- Digital
- Finance – Treasury
- Tax
- Investor Relations
- CSR
- Human Resources
- Risks and Internal Audit
- Safety

A team in Luxembourg

Luxembourg is the leading European center for investment funds and second worldwide. A Eurazeo team has been present since 2004. It can thus work more closely with the co-investors and limited partners of its co-investment funds governed by Luxembourg law, such as Eurazeo Capital II. The main local entity, Eurazeo Services Lux, specializes in company administration (administrative, legal, accounting and domiciliation services), for other locally established group companies as well as third-party companies. Recognized as a Professional of the Financial Sector (PFS), Eurazeo Services Lux has been certified by the Commission de Surveillance du Secteur Financier, the Luxembourg financial services regulator.

2016, HEIGHTENED MOBILIZATION

The preparation of eight acquisition projects represented a particularly significant investment for the corporate team in 2016. The many carve-outs, which consist in acquiring certain assets and rebuilding a company, have effectively changed the mission of the team that is asked to carry them out. Certain team members actively participated in the steering of these carve-out projects, contributing to the definition and implementation of target processes and tools. The corporate team also strives to provide the Eurazeo teams and the portfolio companies with the tools necessary to meet the highest standards. In 2016, it pursued its work covering responsible purchasing, digital technology and management control projects.

2017 OUTLOOK

The corporate team will pursue its best practices work and its commitment to the carve-outs now being finalized. This contribution of Eurazeo is in keeping with a strict operational governance policy that includes risk management.

ACCELERATE

From left to right:
Pierre-Alain Aubin
Risk Director
Cécile Gilliet
Deputy Legal Director - M&A
Maxime de Bentzmann
Principal
Eurazeo Capital

SOMMET EDUCATION
A DAILY COMMITMENT

In March 2016, Eurazeo acquired two world-class Swiss hospitality and luxury schools, Glion and Les Roches, in order to create the Sommet Education group. Nearly 1,500 students graduate each year. Eurazeo's investment amounted to €229 million. The ambition is to transform the new entity into a sector leader by strengthening its international dimension, particularly in Asia, and broadening its scope of action based on two promising ideas: distant learning via digital technology and management training.

A carve-out is unlike other investments. It involves significant capital and human resources. The Eurazeo corporate team plays a key role in this process through its expertise. The support thus surpasses the financial commitment usually granted for other investments. It can take varied forms, from project management assistance to team coaching. In the case of Sommet Education, several members of the corporate team assisted the project's holding company with a view to creating the support functions and information systems that are key to the new group's operations. Their task was part of a true corporate project. Pierre-Alain Aubin, Risk Director, assisted the teams and the new management officers in designing and setting up a Finance Department, a Finance services center (Marbella, Spain) and a Finance ERP[1] software package. According to Aubin: "Success for this type of project relies on strong operational governance, where risk management is central and constant."

The Digital Director contributed to the insourcing of key information systems so that the new group no longer had to rely on the vendor's support services. "The corporate team worked closely with the investment and Sommet Education teams to immediately implement more effective solutions, in line with our objectives," explains Vivianne Akriche, Managing Director of Eurazeo Capital and head of the team responsible for the investment. This daily involvement has already provided Sommet Education with solid and long-term bases for its development.

> "These projects have major challenges and are difficult to implement. Working with the investment teams, the corporate team contributes crucial added value."
>
> Philippe Audouin

1. *Enterprise Resource Planning: integrated management software package.*

THE EURAZEO CORPORATE TEAM

eurazeo corporate

1. **CÉCILE GILLIET**
   Deputy General Counsel - M&A

2. **MARIE-CLAIRE FAGETTE**
   Head Accountant

3. **PIERRE-ALAIN AUBIN**
   Internal Audit and Risk Director

4. **CHRISTOPHE AUBUT**
   Accounts manager for the Finance Departments of the Group's investments
   Employee representative on the Eurazeo Supervisory Board

5. **NICOLAS HUET**
   General Counsel
   Secretary of the Executive Board
   Member of the Executive Committee

6. **SOPHIE FLAK**
   Director of CSR and Digital

7. **STÉPHANE BOSTYN**
   Financing and Treasury Director

8. **BÉRENGÈRE NICOLAZO DE BARMON**
   Head of the Consolidation Department

9. **EDWARD PORTET**
   Head of Management Control

10. **CAROLINE COHEN**
    Head of Investor Relations

11. **ARMANCE BORDES**
    Deputy General Counsel - Corporate

12. **SANDRA CADIOU**
    Director of Communication

Absent from the photograph:

PIERRE-MARIE BOURNIQUEL
Security Director

EURAZEO INTERNATIONALLY

eurazeo North America

VIRGINIE MORGON
Deputy CEO Eurazeo
President of Eurazeo North America

ÉRIC SCHAEFER
Managing Director

HENRI DOMANGE
Senior Associate

JUSTIN SCHLEGEL
Associate

VIVIANNE AKRICHE
Managing Director

OLIVIER CORNELOUP
Chief Administrative Officer

JIM GOLDMAN
Senior Advisor

JEAN-PAUL MONTUPET
Senior Advisor

eurazeo China

EDDIE CHEN
Managing Director
Head of Eurazeo China

CHAO SUN
Associate

NANNAN ZHANG
Executive Assistant

eurazeo South America

MARCOS GRASSO
Senior Advisor
Head of Eurazeo South America

eurazeo Luxembourg

MARC BOULESTEIX
Head of the Luxembourg office

GÉRALDINE REGAL UDOL
Chief accountant

LAURENCE BURKHARD
Legal assistant

LAURENT GUÉRINEAU
Managing Director

We

FEATS IN 2016

Eurazeo's ability to provide operational guidance to companies over a long-term trajectory is a driver of sustainable and constant growth. 2016 will mark an acceleration in transformations, with multiple achievements.

ASMODEE ►

GROWTH CHAMPION

With revenue rising by 39.5% over one year, Asmodee, the leading international games publisher and distributor, has extended its brilliant trajectory: a rapid development that has accelerated since its acquisition by Eurazeo Capital in 2014. New transactions were again successfully conducted in Europe this year: acquisitions of Bergsala Enigma, leading distributor of games and collectible cards in Northern Europe, and the Canadian studio F2Z Entertainment. These transactions have consolidated the international positions of Asmodee, and strengthened both its editorial content and its digital platform. •

◄ FINTRAX

A STRONGER GLOBAL PLAYER

The world's second largest tax free shopping operator and a major currency conversion player, Fintrax, demonstrated its resilience by posting revenue growth of 5.6% in 2016 despite a difficult economy, thanks to diversified exposure in Europe and strong sales momentum. Working at the heart of three buoyant sectors - worldwide tourism, consumer goods and electronic payments - the company is also pursuing its development through external growth (recent acquisition of the Finnish company e-TaxFree), with the support of Eurazeo Capital, which invested €300 million at the end of 2015. •

ACCELERATE

◄ EUROPCAR GROUP

TRANSFORMATION IN ACTION

Europcar, the car rental leader in Europe and one of the major mobility players, in which Eurazeo has a 42.4% interest, is pursuing its transformation and its development. In 2016, the group recorded solid performances including a 4.9% rise in its volume of rental days, benefiting from the strategic investments carried out. Europcar continued to promote innovation this year, with respect to programs relating to the customer experience and external growth for example. Confirming its shift towards the urban mobility market, Europcar carried out two new acquisitions: Bluemove, an innovative start-up, and Spain's car sharing leader, and Europcar Ireland, previously franchised, thanks to which the directly owned network extends to ten countries and includes GoCar, Ireland's car sharing leader. •

TRANSFORMATION DAY ►

THINKING TOMORROW

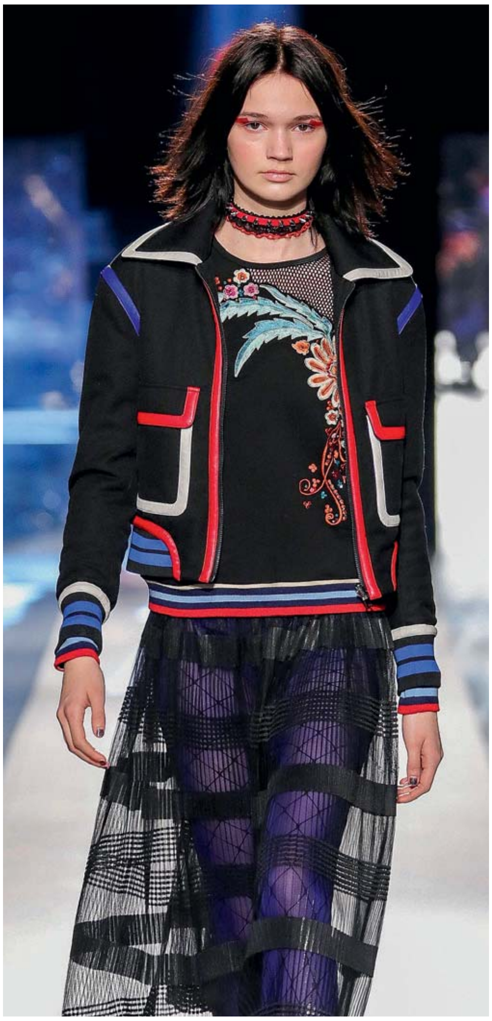
Eurazeo has inaugurated a new high point with its investment management teams: Transformation Day. The objective is twofold: offer innovative ideas and solutions for transformations that are disrupting economies, based on the perspective of external contributors, and provide its portfolio companies an opportunity to share and exchange. The topics for this first edition covered digital disruptions and gender diversity. With over 200 participants, the event was a true success. •

We

YOUNITED CREDIT ▶

FULL SPEED AHEAD FOR EUROPE!

Younited Credit is the new name for Prêt d'Union, one of the top peer-to-peer lending platforms in Europe in which Eurazeo Croissance invested €17 million in 2015. This name change was initiated to support the European expansion strategy. After opening in Italy, the platform is preparing to launch its activity in Spain in early 2017. Investments have also been committed to introduce the new name in France, namely the first TV campaign. •



◀ DESIGUAL

RETURN TO GROWTH

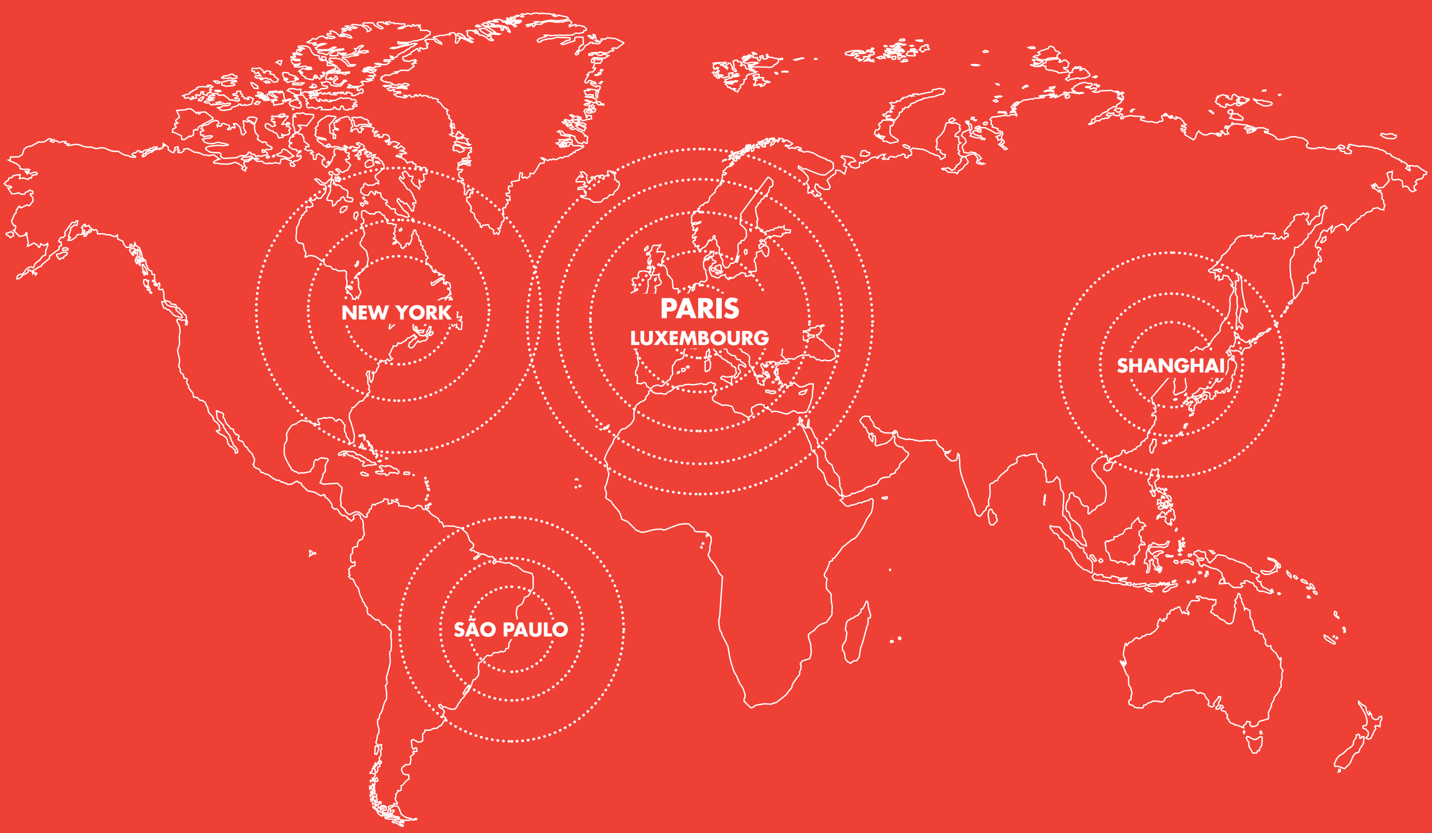
Desigual, in which Eurazeo Capital has a 9.8% interest (7.4% after syndication), has been rolling out a transformation plan since 2015. With one objective: target profitable growth by delivering projects covering products, merchandising and image to better meet consumer expectations. At the same time, Desigual is optimizing its distribution network via store closings and relocations, and the overhaul of its boutique concept. Despite an unfavorable economy, particularly in France, this plan limited the decline in group revenue and improved the cash position, which stood at €380.7 million at the end of 2016. Desigual is also stepping up its digital transformation. This is reflected in its governance, with an information technology and communication expert joining the Board. •

We MOVE

IN 2011, EURAZEO ADOPTED A STRATEGY TO ENHANCE ITS BUSINESS MODEL, CREATING SPECIALIZED INVESTMENT DIVISIONS, OPENING OFFICES IN CHINA AND BRAZIL FOR ITS PORTFOLIO COMPANIES AND STEADILY BOLSTERING ITS CORPORATE SKILLS. IN 2016, A NEW STRATEGIC MILESTONE WAS REACHED WITH THE SET-UP OF AN INVESTMENT TEAM IN NEW YORK TO PENETRATE AN AMERICAN PRIVATE EQUITY MARKET OFFERING A WEALTH OF OPPORTUNITIES.

AN INTERNATIONAL REACH

Eurazeo is growing, and furthering its international expansion. We are now fully operational in Europe and North America in terms of investing, and are present in Asia and South America to closely support our businesses in major markets.




By extending our international reach, we have enhanced our ability to create value. We are opening up a world of opportunity for the companies we support, and our own investments and partnerships.
#WEAREMAKERS

We

OUR STRATEGY III/V

OPENING UP NEW HORIZONS

In a globally competitive environment, Eurazeo is steadily transforming to continually strengthen its business model based on a well-organized and agile approach. It is exploring new regions and investing in complementary businesses to always stay one step ahead.

FROM VISION TO ACTION

Eurazeo, a sustained development

Like its businesses, our company is confronted with a growing number of challenges and opportunities at an ever increasing pace, i.e. digitization, globalization, climate crisis, tighter standards, emergence of new players, etc. To fulfil its role to the best of its ability and create long-term value, Eurazeo has adopted an ongoing adaptation strategy. It skillfully reinforces its business model by crossing new boundaries, while maintaining tight control over its risks.

New horizons

International expansion has become a vital growth lever for Eurazeo and its portfolio companies. Its globalization strategy has three overlapping focal points: international development of the companies in which we are a shareholder, direct establishment of Eurazeo competency centers in other global regions and extension of our investment scope. Eurazeo has succeeded in becoming an international player in less than ten years, chiefly in terms of investments. Out of the €2 billion invested by Eurazeo Capital between 2011 and 2016, more than €1.1 billion was placed outside France, with the acquisition of the Italian company Moncler in 2011, the Spanish firm Desigual in 2014, the Irish entity Fintrax in 2015 and the Swiss schools Glion and Les Roches in 2016.

At the same time, Eurazeo has set up competency centers in markets that require a local foothold due to their vast growth potential and specific complexity, such as China and Brazil; their priority role is to support the fast-tracked development of portfolio companies and broaden our opportunities, while boosting our international ecosystem. Present in Shanghai since 2013, Eurazeo came on the scene at the right time to take advantage of growing business and investment flows with Europe. In a similar approach, the opening of an office in São Paulo in 2015 has already furthered acquisitions in South America.

A strategic move to the United States

In line with the ambition announced in 2015, an important milestone was reached this year with the opening of an office in the United States, the main objective being direct investment. In this competitive market, Eurazeo can leverage its family and institutional shareholding structure, permanent capital, long-term vision, European foothold and its ability to accompany international companies based on its global ecosystem, all distinctive advantages for high-growth US companies. Eurazeo North America will also assist our portfolio companies with their operations, the United States already being the leading growth market for many of them.

Dedicated investment teams

Eurazeo, as an investor, has a unique profession, in which it endeavors to excel at all levels. Accordingly, it has embarked during the past few years on the creation of investment teams devoted to specific ecosystems (PME, Croissance, Patrimoine) and the Development team, in charge of sourcing deals and fundraising. By investing in iM Square and Capzanine, Eurazeo has been able to boost its network and skills and create future growth opportunities in similar business segments.

Enhancement of corporate skills

Eurazeo has made the strategic decision to have an experienced corporate team that is both highly experienced and operational and to provide its portfolio companies with access to its skills, making every effort to enhance them over time. In particular, Eurazeo seeks to incorporate cutting-edge specialties to think and act one step ahead. Regarding Corporate Social Responsibility (CSR) issues, Eurazeo again proved to be a pioneer in the private equity segment, with new initiatives in 2016 with respect to carbon, general extension of technological and digital due diligence reviews, as well as a new generation of digital investment tools.

56%

The percentage of investments made outside France by Eurazeo Capital between 2011 and 2016.

AND THE FUTURE?

Ramp-up
of direct investment in the United States.

Development of complementary businesses,
directly or in partnerships.

Fundraising in all divisions
in which Eurazeo remains the majority shareholder.

A SUSTAINED DEVELOPMENT

To enhance its business model, Eurazeo continues to expand, creating new investment divisions and incorporating new fields of expertise. A deployment that meets our ambition as to how we practice our profession.

1881 The beginning of our story

...

2001-02 The company becomes eurazeo and adopts a Supervisory Board and an Executive Board

2010 eurazeo croissance

2011 eurazeo pme

2012 eurazeo development; eurazeo capital

2013 eurazeo China

2014 eurazeo patrimoine

2015 eurazeo South America

2016 eurazeo North America

... The adventure continues

Eurazeo was created in 2001 by the merger of Gaz et Eaux, founded in 1881, and Eurafrance, founded in 1969. Between 2001 and 2005, Eurazeo changed its legal organization by merging with Azeo and Rue Impériale. Since 2010, Eurazeo has radically transformed from a single-business company, specializing in investments in large entities, to a company that covers virtually all private equity segments through its various investment divisions and foreign offices.

MOVE

Focus on Eurazeo North America

As part of its international expansion, Eurazeo reached a major milestone this year by setting up an experienced team in New York that is an integral part of Eurazeo Capital. The main objective is to invest directly in US intermediate-sized businesses.

AN ATTRACTIVE MARKET

North America, the world's leading private equity market, characterized by its depth, momentum and maturity, is particularly attractive. For investors with a local foothold, it offers immense investment potential.

SETTING UP A STRONG TEAM

In September 2016, Eurazeo opened its office in New York on a solid footing. Directly run by Virginie Morgon, Eurazeo Deputy CEO, who now resides in the US, the team is eight strong. It is committed to seeking investment opportunities in companies in which Eurazeo's positioning as an active long-term international shareholder - uncommon in the US - would create real added value. Its business networks will also be opened up to portfolio companies to facilitate build-ups.

CLEAR TARGETS

In keeping with its strategy, Eurazeo has chosen to focus on its sectors of expertise, particularly consumer goods and business services. The aim is to invest in high-growth and internationally-focused North American companies for which its value proposition makes all the difference. Individually, the equity amounts invested should fall within a primary range of between US$200 million and US$500 million.

Intermediate-sized businesses

Individual amounts invested: a priority range of between US$200 million and US$500 million

The US private equity market

US$ 160 billion in transactions

for nearly 2/3 of our target segment (companies with an enterprise value of more than US$ 500 million).

2016, A STRATEGY SET IN MOTION

At the end of December 2016, 54 investment files had already been analyzed, 20 being considered as priority. These files involved entrepreneurs, owners of companies with high organic growth and a significant potential for international expansion and transformation. Discussions were also held with US groups that may sell certain activities. The team has finally begun to analyze opportunities for certain investments.

2017, TOWARDS IMPLEMENTATION

Determined to follow its own pace, in the same way as it respects that of its investments, Eurazeo has not set any deadlines for the completion of its first investment in North America. However, the team's expansion, the development of its market visibility and its growing deal flow will increase its chances of realizing an investment in 2017.

We

Focus on
Eurazeo China and Eurazeo South America

The presence of competency centers in Shanghai since 2013 and in São Paulo since 2015 offers Eurazeo's portfolio companies a gateway into the buoyant markets of Asia and Latin America. They also benefit from an excellent understanding of local dynamics and robust operational support.

CHINA, A SOARING ECONOMY

A new growth model
Eurazeo China was set up chiefly to boost the development of portfolio companies and capture the potential and growth of the world's second largest economy. Previously an industrial goods exporter, and now driven by domestic consumption, China is shifting towards a service economy. It has become one of the main foreign investors in Europe and the United States. All this creates new opportunities for Eurazeo at each stage of its business.

New triumphs
Since the office's creation, the team led by Eddie Chen, Managing Director and Head of Eurazeo China, has accompanied around twenty of our companies. Among its achievements: in 2017, Colisée will open its first retirement home in China, with its partner China Merchants Property; IES already conducts 25% of its local activity through a joint venture with Wanma. During the year, Eurazeo China also supported Europcar with its development, and Neovia with its plans to acquire the 5th player in the Chinese pet food market.

A strengthened ecosystem
Eurazeo continues to develop its network of partners in Asia - China, Hong Kong, Singapore, Korea and Japan. The team has secured contacts with major businesses seeking to invest globally and is building relationships of trust with the authorities.

An active presence in huge markets

China

World's 2nd largest economic power

World's highest population, with 1,379 million inhabitants

Brazil

World's 8th largest economic power

World's 5th highest population, with 206 million inhabitants

BRAZIL, INITIAL ACHIEVEMENTS

Restoring confidence
Brazil, a country with the world's 5th highest population and where the middle class has risen by 50% in a decade, has become a key market in Latin America. Having gone through a political and economic crisis of epic proportions, the country is setting the scene for restoring confidence. Since 2015, Marcos Grasso, Senior Advisor, and Head of Eurazeo South America, has been supporting the portfolio companies already present in Brazil such as AccorHotels, Elis and Neovia and assisting those which could potentially set up in the region.

Serving development
In 2016, Eurazeo South America worked with around ten portfolio companies. The Eurazeo Brazil office assisted Neovia with organic growth and acquisition projects in Latin America and supported Elis for its external growth transactions. The office also worked with the teams of Colisée and Fintrax to improve their growth plans for the region.

Encouraging prospects
The warm welcome reserved by business networks for Eurazeo and its office in the country's economic capital should boost the development of its portfolio companies in Brazil and other Latin American countries.

MOVE

EUROPCAR
Paving the way in China

More than 200 million Chinese travel abroad each year, making China the world's no.1 country in terms of tourist figures. According to the WTO[1], they spend nearly €300 billion. An increasing number rent cars to discover new regions. Determined to capture this growing inflow of tourists, Europcar worked with Eurazeo China this year in order to improve its strategy for the Chinese tourist clientele, and then to seek a first-rate partner and provide assistance in preparing an agreement right through to its signing.

A COOPERATION AGREEMENT WITH SHOUQI CAR RENTAL

This approach proved successful as a global business partnership was forged with Shouqi Car Rental, one of the leading mobility players in China and subsidiary of the Beijing Tourism group, a significant domestic player in the tourism industry. Under the cooperation agreement, finalized in early 2017, each partner will benefit from two complementary networks. Europcar offers coverage in 140 countries and a network of 3,600 sales outlets, while Shouqi Car Rental has a network of 500 outlets in more than 70 cities in China. For customers, this promises a top-notch service across the globe. Chinese customers can access Europcar car rental services on the Shouqi website and buy all-inclusive deals outside China.

Similarly, Europcar customers will have access via its website to Shouqi services in China to rent vehicles or hire a private chauffeur.

A REFERENCE IN THE MOBILITY SECTOR

Via this agreement with Shouqi Car Rental, Europcar has a Chinese partner that shares a similar vision of the business. Both possess a corporate culture that focuses heavily on service quality and customer satisfaction. Shouqi is a reference in its sector through its mobility services that are appreciated by major Chinese businesses, as well as government organizations and the Global 500.

1. World Tourism Organization; tourism key figures - 2016 edition

"CHINA IS APPEALING, BUT YOU NEED THE KNOWLEDGE AND EXPERTISE TO PENETRATE THIS MARKET."

Eddie Chen,
Managing Director, Eurazeo China

We

EXPLORING new businesses

Eurazeo is broadening its horizons by investing in new asset classes. It participates in ambitious initiatives, heralding new prospects, value creation and the expansion of its range of activities.

IM SQUARE, A GROWTH VECTOR FOR ASSET MANAGERS

In 2015, Eurazeo founded iM Square, an innovative concept, with Amundi and La Maison. The first European investment and development platform dedicated to asset management, its strategy is to acquire minority stakes in the share capital of asset management companies to help them develop, principally outside of their domestic market. In 2016, two transactions were completed in the United States: a 20% investment in a growth equity manager, Polen Capital Management (€7.5 billion and €9.0 billion in assets under management in early and late 2016, respectively) and the acquisition of 45% of Dolan McEniry Capital Management. With €5.8 billion and €9.0 billion in managed assets at the end of 2015 and 2016, respectively, this independent management company operates in a complementary business segment, US corporate bond management. Finally, iM Square acquired a French management company, Montmartre AM. Renamed iM Global Partner Europe, it will serve as the basis for its future sales platform on this continent. iM Square plans to invest a minimum of €250 million over the next three years in the USA, Asia and Europe.

CAPZANINE, THE SME FINANCING ALTERNATIVE

In 2015, Eurazeo acquired, with Axa France, a 22% interest in Capzanine, an investment fund manager specializing in combined equity and private debt investment. This fund invests up to €150 million per company in segments that are complementary to those of Eurazeo PME: smaller businesses in which it becomes the majority shareholder, or businesses of an equivalent size in which it acquires a minority interest. It is also one of the leading players in the French private debt market.

Convinced of the team's quality and the non-banking financing needs of SMEs, Eurazeo is putting a lot into developing Capzanine, enabling its team to take advantage of its relationships with major institutional investors and its international network to develop companies.

The company has already achieved growth. At the end of 2016, Capzanine had €1.4 billion in assets under management, i.e. 50% more than at the time of our investment. Eurazeo has invested €100 million in the Capzanine funds.

RAISE, GROWING BUSINESSES IN FRANCE

Finally, Eurazeo is partnering with the investment firm Raise, founded in 2014 based on a high ambition: support French entrepreneurs that can create jobs and foster growth. With a fund of nearly €350 million, Raise acquired stakes in seven promising intermediate-sized companies, and granted a foundation €20 million. It is now the leading philanthropic catalyst dedicated to French young growth companies. True to its charitable nature, Eurazeo has pledged to invest €10 million in Raise Investissement and contributes to the Foundation.

MOVE

FEATS IN 2016

Ramp-up in the efforts of our teams in China and Brazil for the international expansion of our companies, relocation of the Paris headquarters in addition to our opening in New York, fresh changes in our corporate skills set: in 2016, it was full speed ahead at Eurazeo.

ACCORHOTELS

GREATER INTERNATIONAL GROWTH AND NEW BUSINESSES

With an aggressive approach, AccorHotels made huge investments this year, moving up a gear in the transformation of its business model. With the acquisition of Onefinestay, a high-end hospitality pioneer, AccorHotels has become the world leader in luxury serviced homes, and boosted its presence in the luxury market. The long-term partnership concluded with the Singapore-based Banyan Tree Holdings to develop this partner's branded hotels across the world will also expand its service offering: AccorHotels clients will benefit from key positions in Asia in the luxury resorts business. Another initiative was the acquisition of a 30% stake in the Argentina-based Oasis Collections, which offers an online selection of apartments and services in Latin America, the United States and Europe. Finally, AccorHotels consolidated its leading position in the Australian market with the purchase of 31 hotels. •

ELIS

SPAIN, BRAZIL, COLOMBIA…

End of a triumphant year for Elis! With the acquisition of Indusal in Spain and Lavebras in Brazil, the multi-services leader in the rental of flat linen, professional clothing, and hygiene and well-being appliances has gained ground in two key markets. It has become the leader in Spain, with a 25% market share and bolstered its leadership in Brazil. Elis has also gained a foothold in Colombia, the 4th largest economy in Latin America, with the acquisition of SIL. More than 40% of its business is now generated internationally. Besides offering hands-on support, in early 2017, Eurazeo participated in the capital increase that made these transactions possible. •

we

NEOVIA ▶

A CONSTANT FOCUS ON ASIA

Neovia, one of the world's leaders in animal nutrition and health, pursued its international strategy, notably in Asia where the company holds prominent positions in several countries, particularly Vietnam, Indonesia, India and China. Continuing to boost its industrial and commercial presence, in 2016, Neovia acquired a key stakeholder in animal feed production in the Philippines, Popular Feedmill Corporation. With the support of Eurazeo China, Neovia also approached Sanpo, the 5th largest player in the Chinese pet food market, with a view to becoming its majority shareholder. They entered into exclusive negotiations in early 2017. •

◀ EURAZEO

EURAZEO, NEW ADDRESSES AND MORE!

Eurazeo is expanding and has moved. A few months prior to the opening of its New York office, Eurazeo relocated its head office teams in early 2016 to a building located at 1 rue Georges Berger (Paris 17th) that is fully renovated and compliant with the best environmental standards[1]. The move also provided a new opportunity to bolster its CSR efforts: donation of some of the old furniture to the association Apprentis d'Auteuil, digitization of HR documents, centralization of printers, removal of plastic bottles and installation of electric car terminals. •

1. "Exceptional" HQE (High Quality Environmental standard), "Excellent" BREEAM (Building Research Establishment Environmental Assessment Method) and BBC (low energy building) certifications.

EURAZEO ▶

SAFETY CULTURE

Eurazeo has added to its areas of expertise with the arrival of a safety specialist, Pierre-Marie Bourniquel, honorary inspector general of the French national police.
Serving Eurazeo and its portfolio companies, his role is to provide assistance and advice on personal safety and the protection of tangible and intangible assets. •

We DELIVER

WITH THE SUBSTANTIAL PERMANENT CAPITAL ENTRUSTED BY OUR SHAREHOLDERS, WE HAVE FREE REIN OVER THE EXIT DATE FOR OUR PORTFOLIO COMPANIES. THIS MONETIZATION OF THE VALUE CREATED THUS CONFIRMS A SUCCESS FOR THE TEAMS AND OUR SHAREHOLDERS. WE ARE PROUD TO OFFER THEM AN ATTRACTIVE RETURN IN THE LONG TERM. FOR THE PORTFOLIO COMPANIES AND THEIR EMPLOYEES, THE SALE OF OUR SHARES ALSO MARKS THE BEGINNING OF A NEW CHAPTER THAT WE HAVE HELPED TO WRITE.

LONG-TERM PERFORMANCES

A long-term investor, Eurazeo's ambitions stretch far beyond sustainable and economic value creation. We can therefore offer our shareholders an attractive total return in the long term and be a vector of change for our stakeholders.

Net Asset Value + 6.7%

€ 72.3

per share as of 12/31/2016 after adjustment for the exceptional dividend pay-out and the bonus share grant

We

€1.1 billion

in divestments (net of costs)

Sale of Foncia
€469m
i.e. 2.4x

Partial sale of Elis
€394m
i.e. 1.7x

Partial sale of Moncler
€195m
i.e. 4.1x

2016 net income attributable to owners of the Company

€520m


Our decisions are guided solely by our value creation criteria for all our stakeholders. We sell our companies when the overall defined project has been realized, and we can simply hand over the reins to new forces.
#WEAREMAKERS

We

OUR STRATEGY IV/V

RETURN THE VALUE CREATED

With permanent financial resources and no structural debt, Eurazeo can support its companies over the long term and thus contribute to creating sustainable value. Monetized at the time of our divestments, this value offers all our shareholders an attractive total return in the long term, backed by an active share distribution and buyback policy.

FROM VISION TO ACTION

No restrictions for divestments

In our business, value is created during divestments. Thanks to its shareholding structure and solid financial position, Eurazeo retains full control over their timing, a valuable advantage in volatile markets.

Transformation and realization of value

Our divestment decisions depend on two prerequisites: first, the previously-determined transformation has sufficiently progressed; second, the exit can take place under excellent conditions, monetizing the work carried out by Eurazeo to boost the company's long-term prospects. Choosing the right moment therefore depends, above all, on an arbitration between the assessment of the potential arising from value creation and the performance that can be realized to date, valued in terms of cash on cash[1] or Internal Rate of Return (IRR)[2] multiples. In 2016, the team chose to realize the value created at Foncia following the exceptional work carried out over five years. This divestment generated a multiple of 2.4 times the initial investment. Partial sales of Moncler shares (5% of capital, 4.1x) and Elis (25% of capital, 1.7x) were also carried out.

Ambitious value creation objectives

The Return On Capital Employed (ROCE) objectives differ according to the divisions and the type of risk. Thus, the expected annual IRR was higher than 25% for Eurazeo Croissance, between 15% and 20% for Eurazeo Capital and Eurazeo PME, and greater than 10% for Eurazeo Patrimoine.

NAV, the performance of unlisted shares

The transformation work is assessed based on changes in the Net Asset Value (NAV). At the end of 2016, the NAV of Eurazeo was €72.3 per share, following dividend pay-outs and cancellations, up 6.7% on 2015. This percentage breaks down into the following changes:
- the five business divisions generated gross value creation of €426 million in 2016, i.e. 11% on average;
- the performance of unlisted shares stood at 28%, despite our prudence in terms of revaluation, whereas listed shares, mainly affected by the markets, followed a negative trend (- 4%);
- low interest rates curbing cash profits.

Solid risk management

To assess the profitability of an investment, it should be compared with the associated risk. Eurazeo strives to offer its shareholders an attractive risk-return ratio. To achieve this, it endeavors to maintain three of its essential features in the long term:

DELIVER

- absence of structural debt on its balance sheet;
- equity investments from its own funds;
- an ongoing strategy to reduce its portfolio risk, particularly through sector and geographical diversification.

Based on these fundamental strategic choices, Eurazeo has become one of the most robust players in the market, and Eurazeo stock is now a unique offering in terms of value and controlled risks. Our shareholders should therefore expect a lower weighted average cost of capital (WACC).

The force of cash flow

Another distinguishing feature is that Eurazeo maintains a significant cash flow. This is used to seize investment opportunities and also back all the relevant projects of the holdings. Furthermore, Eurazeo is never required to carry out a divestment to repay a debt. At the end of 2016, our cash flow amounted to €1,083.6 million[3], carefully invested in diversified and risk-free vehicles. Eurazeo also has a €1 billion undrawn syndicated credit facility. These available funds are also used to boost value creation through share buybacks when the price offers an attractive discount. In 2016, 3,934,48[4] shares were bought back for €213 million, i.e. 5.6% of capital as of December 31, 2015 and 5.7% of cancelled capital, thus automatically creating value for our shareholders.

Priority focus on shareholder return

This accretive[4] policy enables us to give our shareholders an attractive medium-term total return (TSR[5]). Since mid-2002, Eurazeo has offered a TSR three times higher than that of the CAC 40, while our risk, measured on the basis of share volatility, has decreased. This return also takes the form of regular bonus share grants and, occasionally, the payment of exceptional dividends in addition to the ordinary pay-out. Over an extensive period, Eurazeo also significantly increased its dividend pay-out, with 6.4% annual average dividend growth between 2004 and 2016. In 2016, dividends amounting to €159 million were therefore paid out to shareholders in respect of 2015, of which half were exceptional dividends.

1. The cash on cash multiple is the ratio between the amount collected on a divestment and the initial amount invested by Eurazeo.

2. The Internal Rate of Return (IRR) calculation for an investment is an economic assessment of a project's profitability, which must *at minimum* be higher than the cost of capital plus a risk premium specific to the project. It is calculated using discounted cash flows.

3. Prior to the repayment of the AccorHotels debt in LH 19 on January 9, 2017.

4. Accretive, which increases earnings and NAV per share.

5. TSR = Total Shareholder Return = dividends paid out + growth in market capitalization.

6 years
Average period during which companies are held by Eurazeo.

€1,058M
The total amount of divestments in 2016.

AND THE FUTURE?

Sustained asset rotation
due to the rising number of portfolio companies.

Higher recurring revenues
due to fundraising.

Continue to improve the robustness of our model.

We

WE ARE COMMITTED TO SUSTAINABLE VALUE CREATION

DELIVER

CONVERSATION WITH PHILIPPE AUDOUIN

Chief Financial Officer,
Member of the Eurazeo Executive Board

Based on its balanced risk/return profile, Eurazeo implements a long-term value creation model for its shareholders and stakeholders. Its continual enhancement nurtures Eurazeo's outperformance in the long run. This was the case in 2016, when Eurazeo combined multiple achievements and high quality results.

THE YEAR HAS BEEN VERY ACTIVE. DID YOUR PERFORMANCE MATCH EXPECTATIONS?

Yes, we posted solid results this year. It's even a record year in terms of the number of investments. We made direct investments totaling €833 million in eight new companies and one of our investments. In terms of divestments, we ended the year with proceeds of €1,424 million, mainly due to the sale of Foncia under excellent conditions - a multiple of 2.4 times our investment in only five years - and our partial sales of Elis (1.7x) and Moncler (4.1x); not to mention the impact of the syndication and fundraising. This asset rotation is crucial as it confirms both the visible and hidden value created, mainly in a shifting environment, renews our portfolio while incorporating the most buoyant sectors of the period. From a business standpoint, Eurazeo's economic revenue growth (5.3%) once again largely surpassed Eurozone GDP growth (1.7% in 2016). It even reached nearly 10% on average for the companies in which we are the majority shareholder. Another illustration of the ongoing transformations is the improvement in EBITDA for virtually all our companies. In our results, the net contribution of consolidated companies rose by 24%, standing at €242 million. Overall, net income attributable to owners of the Company reached a high of €520 million, thus enabling us to offer shareholders a dividend of €1.20 per share, plus one bonus share for 20 shares held.

EURAZEO IS RENOWNED FOR THE STRENGHT QUALITY OF ITS FINANCIAL STRUCTURE. WHAT IS THE SITUATION THIS YEAR?

Our commendable results are once again combined with a solid financial position: net cash and cash equivalents of €1,084 million[1], no structural debt in the Eurazeo balance sheet and a Net Asset Value (NAV) of €5,026 million, i.e. €72.30 per share, up + 6.7% compared to 2015.

IS RISK MANAGEMENT A CORNERSTONE OF THE EURAZEO MODEL?

Yes, it is one of our constant objectives, along with growth and value creation. Today, Eurazeo has a moderate risk profile in its sector. It is true of our financial structure, which gives us real leeway without exposing our shareholders to risks of indebtedness. Our companies can of course take on a reasonable amount of debt in order to invest, but with no recourse to the Eurazeo balance sheet.
It is also true from the point of view of our portfolio and how we build it: our due diligence audits are not limited to solely financial criteria and include all the dimensions of Corporate Social Responsibility; the sectors in which we invest are diversified, the breakdown between recent assets, assets under transformation and mature assets is virtually ideal and none of our investments are more than 12% of our NAV. We strive to diversify the sources of our value creation, not merely by increasing the number of our investments, but also by moving strategically to other continents and other asset classes. This is also why we are accompanied by co-investors, in a manner that respects our strategy. Eurazeo has significantly reinforced; our future performance is now based on a diversity of achievements.

SO, IT'S ALL ABOUT PERFORMANCE AND ROBUSTNESS?

Exactly. And it is the combination of this robustness and sustained momentum in both Eurazeo and its investments that gives strength to our model. This is what enables us to create long-term economic value and also extend our contribution, in accordance with our CSR commitments. We can therefore propose an attractive long-term return to our shareholders, without whose confidence, none of this would be possible. •

1. As of December 31, 2016, prior to the repayment of the AccorHotels debt on January 9, 2017.

We

From left to right:
François Davy,
Chief Executive Officer of Foncia
Wilfried Piskula,
Managing Director, Eurazeo Capital
Marc Frappier,
Managing Partner, Head of Eurazeo Capital

FONCIA
A SUCCESSFUL TRANSFORMATION

Five years after becoming shareholders of Foncia, Eurazeo and Bridgepoint sold their entire investment to Partners Group in September 2016. The transaction was carried out under favourable conditions, at a multiple of 2.4 times the initial investment, i.e. net divestment proceeds of €469 million for Eurazeo. These figures reflect the work accomplished by management with the support of Eurazeo over the period. An ambitious transformation program was successfully completed, giving rise to a new Foncia: the reference in real estate services in terms of service quality, client satisfaction and innovation. As for the five areas identified prior to the acquisition, the results did not disappoint. Human resources? Turnover was reduced by 15%. Customer relationship? The set-up of customer satisfaction monitoring tools and major digital investments have supported organic growth. Operational efficiency? Process digitization has helped reduce operating costs by €10 million while improving customer service and the environmental impact. Innovation? Foncia was the first in its sector to offer packaged gas purchase offers, leading to price reductions by more than 30%, and significant progress was made in terms of energy efficiency (678,000 avoided tons of CO_2 equivalent representing more than €110 million in savings). External growth? A total of 74 transactions were carried out during the period, reinforcing Foncia's positions in France, Switzerland, Germany and Belgium and enhancing its service offering with, for example, the acquisition of Primaliance, specializing in REIT investment advice. Despite the negative impact of the ALUR law in France and a difficult real estate cycle during the period, revenue increased by nearly 5% per year on average. EBITDA, up 11% per year on average, rose from €86 million on a pro forma basis in 2011 to €137 million at the end of June 2016.

> "The quality of the collaboration between the teams of Foncia and Eurazeo Capital was decisive in this successful transaction."
> Marc Frappier

DELIVER

FEATS IN 2016

Eurazeo is an active shareholder, but also an investor. It must sell all or part of the supported businesses, at the right moment of the company's transformation and value creation. In 2016, three noteworthy divestments were carried out for €1.1 billion.

MONCLER ▶

A PREMIUM MULTIPLE

In September, Eurazeo successfully sold a portion of its shares in the luxury brand Moncler by way of an accelerated book building to institutional investors. The net divestment proceeds amounted to approximately €195 million for 5% of capital. Eurazeo achieved a multiple of around 4.1x its investment. With its partners, it retained close to 10% of the capital of a company which still has an attractive potential. •

◀ ELIS

25% STAKE SALE

Eurazeo has supported Elis since October 2007. Following the IPO in February 2015, an initial partial divestment was carried out in April 2016. At the end of May, an additional 10% of Elis' capital was sold to Crédit Agricole Assurances. Overall, in 2016, the net divestment proceeds totaled €394 million. With 14.2% of the capital, Eurazeo remains one of Elis' principal shareholders and renewed its support in early 2017 by participating in its capital increase. •

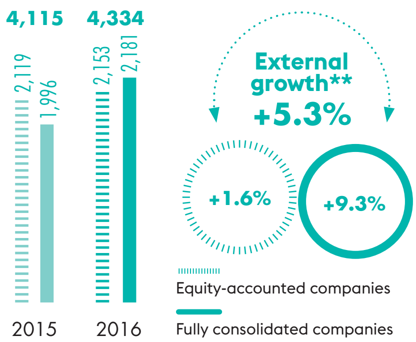
We

FINANCIAL INDICATORS

SOLID RESULTS

2016 was another vibrant year for Eurazeo. Economic revenue growth was more than three times that of Eurozone GDP*. The net contribution of companies increased for the fifth year running, thereby reflecting operational performance. Finally, net income remained high due to the divestment gains realized.

STEADY BUSINESS MOMENTUM



Economic revenue
(in millions of euros)

In 2016, economic revenue on a constant Eurazeo scope basis totaled €4,334.1 million, i.e. a steady + 5.3% increase. Growth was mainly driven by the sound performances of Asmodee (+ 39.5%), Moncler (+ 13.9%), Les Petits Chaperons Rouges (+ 9.2%), the average of the Eurazeo PME investments (+ 7.3%), Elis (+ 6.9%) and Neovia (+ 5.9%). All the other companies also posted business growth, with the exception of Desigual, Sommet Education and AccorHotels. It bears mentioning that economic revenue growth reached 6.7% in the fourth quarter of 2016. Another plus point is that 62% of this year's business was conducted outside France, compared to 54% last year, thus reflecting the portfolio's geographical diversity.

2016 SCOPE

In 2016, the Eurazeo consolidation scope underwent the following changes:

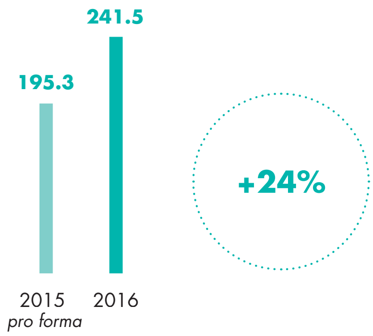
2016 scope entries: Fintrax (January 1, 2016), LPCR (April 1, 2016), Sommet Education (July 1, 2016), Novacap (June 30, 2016), Grape Hospitality (June 30, 2016), Flash Group (January 1, 2016), Orolia (July 1, 2016), MK Direct (July 1, 2016)

2016 scope exits: Foncia (July 1, 2016)

Other changes: Elis (percentage interest reduced to 17.1%), AccorHotels (deconsolidation as of November 15, 2016), Moncler (deconsolidation as of October 14, 2016)

* European Commission estimate.
** On a constant Eurazeo scope basis.

5TH YEAR OF GROWTH FOR THE CONTRIBUTION OF COMPANIES



Contribution of companies net of finance costs
(in millions of euros)

The contribution of companies net of finance costs increased by 24% on a pro forma basis to €241.5 million in 2016. This improvement reflects the solid operational and financial performance of all portfolio companies. The adjusted EBIT of fully consolidated companies before finance costs was €279.0 million, up 11.0%, compared to pro forma €251.3 million in 2015. This improvement was primarily attributable to the performances of Asmodee, Eurazeo PME and Eurazeo Patrimoine. The net finance costs of fully consolidated companies amounted to -€122.4 million in 2016 (compared to -€113.1 million in 2015) due to the refinancing of Asmodee and Dessange and build-ups at Eurazeo PME. The net income of equity-accounted companies rose by 49.0% to €84.8 million, principally due to Europcar.

DELIVER

€520 MILLION IN NET INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY

In addition to the substantial growth in the net contribution of the companies, Eurazeo recorded total divestment proceeds before tax of €831.6 million in 2016. This mainly stemmed from the partial sales of Elis and Moncler shares and the sale of Foncia, all conducted under excellent conditions.
Non-recurring items totaled -€336.0 million in 2016. They take into account acquisition costs of €77 million and an impairment loss of €186.6 million, primarily relating to Europcar, whose share value was lower than the Eurazeo cost price for more than one year. In accordance with accounting rules, Eurazeo adjusted the Europcar share price in its financial statements, based on a valuation of €10 per share. Overall, net income attributable to the owners of the Company amounted to €519.7 million in 2016, compared with a pro forma net income of €1,290.2 million in 2015, which was a record level given the substantial divestment capital gains.

Consolidated income statement

In millions of euros	2015	2015 pro forma	2016
Eurazeo Capital	**138.7**	**107.1**	**122.3**
Asmodee	38.1	40.5	60.6
Europcar	100.6	-	-
Fintrax	-	33.7	34.3
Novacap	-	28.4	28.2
Sommet Education	-	4.6	-0.8
Eurazeo Patrimoine	**42.3**	**58.8**	**62.8**
Eurazeo PME	**64.7**	**85.3**	**93.8**
Adjusted EBIT of fully consolidated companies	**245.7**	**251.3**	**279.0**
Net finance costs	-196.0	-113.1	-122.4
Adjusted EBIT net of finance costs	**49.7**	**138.2**	**156.6**
Net income of equity-accounted companies*	**130.2**	**71.8**	**94.9**
Finance costs of AccorHotels/Elis	-14.7	-14.7	-10.1
Net income of equity-accounted companies net of finance costs*	**115.5**	**57.1**	**84.8**
Contribution of companies net of finance costs	**165.2**	**195.3**	**241.5**
Fair value gains (losses) on investment properties	**25.5**	**25.5**	**3.3**
Net capital gains or losses	**1,741.4**	**1,741.4**	**831.6**
Net income (loss) from the holding company business	-28.4	-28.4	-30.6
Amortization of contracts and other assets relating to the GW allocation	-11.5	-27.1	-34.5
Income tax expense	-32.4	-32.1	-32.2
Non-recurring items	-315.5	-313.9	-336.0
Consolidated net income/(loss)	**1,544.2**	**1,560.6**	**643.0**
Attributable to owners of the Company	**1,276.0**	**1,290.2**	**519.7**
Attributable to non-controlling interests	268.1	270.5	123.3

*Excluding the divestment capital gain and non-recurring items.

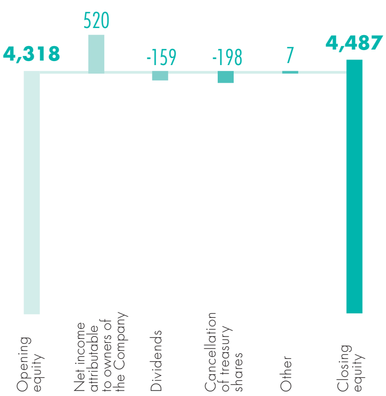
We

FINANCIAL INDICATORS

AN ENHANCED FINANCIAL STRUCTURE

Eurazeo's solid financial position, a major asset, further improved in 2016. Group equity rose, approximating €4.5 billion at year-end. With new scope entries, consolidated debt increased. This debt was without possible recourse to Eurazeo SA, whose cash exceeds €1 billion.

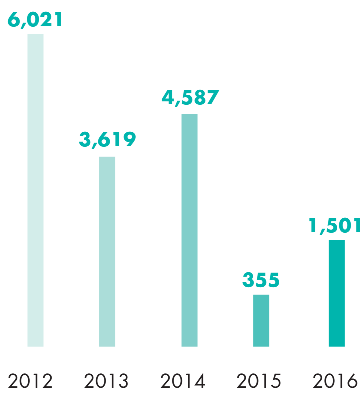
SOLID CONSOLIDATED EQUITY



Change in equity attributable to owners of the Company in 2016
(in millions of euros)

As of December 31, 2016, equity attributable to owners of the Company totaled €4,487 million, up by nearly €170 million compared to the previous year. In posting a solid net income attributable to owners of the Company, Eurazeo's balance sheet improved once again, even though nearly €160 million in dividends were paid to shareholders, and Eurazeo shares of nearly €200 million were cancelled.

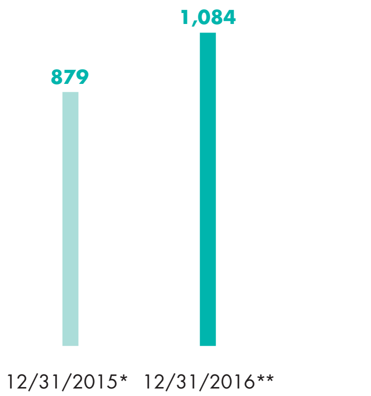
GROUP INDEBTEDNESS, PORTFOLIO ROTATION IMPACT



Change in consolidated net debt over five years
(in millions of euros)

As of December 31, 2016, Group consolidated net debt stood at €1,501 million, taking into account all the debt of our consolidated investments and the Eurazeo SA cash flow. The sharp increase compared to December 31, 2015 (historically low amount, considering the divestments and changes in consolidation method in 2015) reflected the acquisitions in 2016: the companies consolidated in 2016 represented additional net debt of almost €1 billion compared to 2015. The companies' debt are without recourse to Eurazeo SA.

EURAZEO SA, A SUBSTANTIAL CASH FLOW



Change in net cash and cash equivalents
(in millions of euros)

The net cash and cash equivalents of Eurazeo SA alone totaled €1,084 million** as of December 31, 2016. This level of cash reflects the acquisitions in 2016 (LPCR, Novacap, Farfetch, Grape Hospitality, Sommet Education, MK Direct, Orolia and AssurCopro) and the divestments during the year (Foncia and the partial sales of Elis and Moncler), the syndication of Eurazeo Capital II, dividend payments and operating costs.

* Cash and cash equivalents as of 12/31/2015, adjusted for the exceptional dividend pay-out in 2016.
** Prior to the repayment of the AccorHotels debt in LH 19 on January 9, 2017.

DELIVER

1

Consolidated balance sheet

(As of December 31, 2016)

ASSETS	**2015**	**2016**
In millions of euros	**NET**	**NET**
Goodwill	431.0	1,461.7
Intangible assets	555.1	1,232.5
Property, plant and equipment	136.0	1,090.3
Investment properties	1,291.2	1,286.0
Investments in associates	2,425.0	1,352.7
Non-current financial assets	726.6	1,392.4
Other non-current assets	10.9	13.7
Deferred tax assets	16.2	33.0
Total non-current assets	**5,592.1**	**7,862.3**
Inventories	81.3	223.2
Trade and other receivables	218.5	602.5
Current tax assets	134.9	15.6
Current financial assets	89.3	45.4
Other financial assets	18.7	5.6
Other current assets	11.2	43.6
Cash management financial assets	14.9	64.9
Cash and cash equivalents	1,194.4	1,515.4
Total current assets	**1,763.2**	**2,516.1**
Assets classified as held for sale	19.8	1.8
TOTAL ASSETS	**7,375.1**	**10,380.3**

EQUITY AND LIABILITIES	**2015**	**2016**
In millions of euros		
Equity attributable to owners of the Company	4,317.7	4,487.0
Non-controlling interests	429.7	748.7
Total equity	**4,747.4**	**5,235.7**
Interests relating to investments in investment funds	**320.3**	**344.5**
Provisions	6.1	19.1
Employee benefit liabilities	31.3	56.2
Borrowings	1,527.0	2,800.4
Deferred tax liabilities	213.2	418.2
Other non-current liabilities	46.1	62.5
Total non-current liabilities	**1,823.6**	**3,356.4**
Current provisions	21.4	16.0
Current employee benefit liabilities	-	1.3
Current income tax payable	19.5	20.0
Trade and other payables	173.5	613.0
Other liabilities	213.3	488.9
Other financial liabilities	18.6	23.1
Bank overdrafts and current portion of long-term borrowings	37.5	280.7
Total current liabilities	**483.7**	**1,443.1**
Liabilities directly associated with assets classified as held for sale	-	0.6
TOTAL EQUITY AND LIABILITIES	**7,375.1**	**10,380.3**

We

FINANCIAL INDICATORS

CREATE VALUE IN THE LONG TERM

Net Asset Value (NAV) per share, Eurazeo's key indicator, increased once again this year. This mainly reflects the ongoing value creation in our investments as well as that monetized in our cash flow following the total or partial divestments made in 2016.

CREATING VALUE ACROSS ALL DIVISIONS

Source of value creation by division
(As of December 31, 2016)

In millions of euros	NAV 2015*	ACQ./ DIVESTMENTS	VALUE CREATION	SHARE BUYBACK	NAV 2016
Eurazeo Capital Unlisted	1,189	-288	325		1,225
Eurazeo Capital Listed	1,938	-479	-69		1,391
Eurazeo PME	283	71	50		405
Eurazeo Croissance	186	41	18		244
Eurazeo Patrimoine (including ANF)	319	111	10		440
Eurazeo Development	22	28	93		142
Cash and cash equivalents	879	516	-183	-212	1,084**
Other items	179				95
Total NAV after tax	**4,994**	**0**	**243**	**-212**	**5,026**

As of December 31, 2016, Eurazeo's Net Asset Value totaled €5,026 million. After adjustment for the exceptional dividend pay-out in June 2016 (€80 million), it rose by + €32 million. Value creation (after adjustment for share buybacks) reached €243 million in 2016. This was mainly attributable to unlisted investments (+ €494 million).

There was greater contrast in the change in listed assets (- €69 million for Eurazeo Capital listed), as the declines posted by Europcar and AccorHotels due to the tourist situation marked by the terrorist attacks were partially offset by the improvement in Elis and Moncler's share prices. Note that, in 2016, the paid dividends were accompanied by share buybacks (- €212 million), which have an accretive impact on NAV per share.

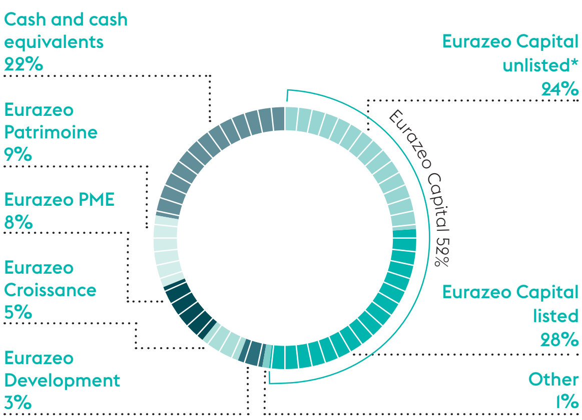
* Adjusted for the exceptional dividend paid in 2016 (€80 million).
** Prior to the repayment of the AccorHotels debt in LH 19 on January 9, 2017.

TOTAL
€494m
in value created in 2016
with unlisted investments

2.5x
average multiple obtained from divestments between 2011 and 2016

DELIVER

DIVERSIFIED NET ASSETS



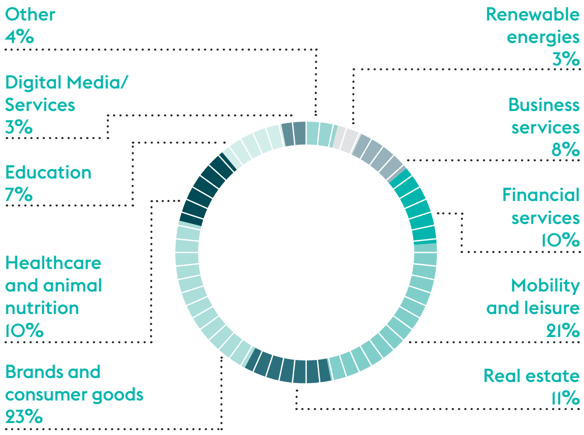
Breakdown of assets by division

(As of December 31, 2016)

Even though Eurazeo Capital still leads in terms of its weight in NAV (52% of the total), Eurazeo PME, Eurazeo Croissance and Eurazeo Patrimoine experienced a certain boost in 2016. Eurazeo's Development division, combining third-party fund management activities and Eurazeo's investments in the complementary businesses, Capzanine, iM Square and Raise, was valued for the first time. As of December 31, 2016, Eurazeo Capital's listed assets represented 28% of the total NAV, i.e. 10 points less than at the end of 2015.

* The Eurazeo Capital unlisted investments shown do not take into account the syndication.

GROWING SECTOR DIVERSITY



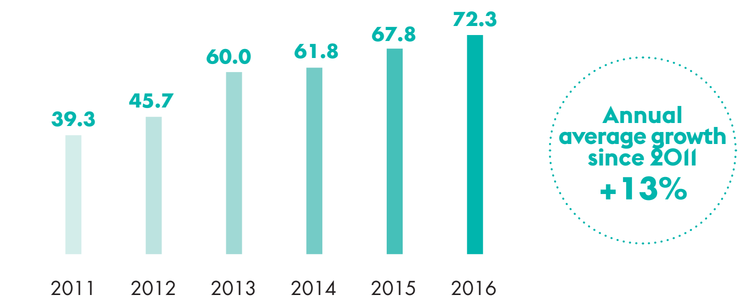
Breakdown of assets by sector*

(As of December 31, 2016)

Pursuant to Eurazeo's risk management strategy, a wide variety of investment sectors is now represented in its NAV. The two main sectors remain brands and consumer goods (23%) and mobility and leisure (21%), which represented over two-thirds of our NAV in 2008. The other sectors account for 10% at maximum.
This year, Eurazeo invested in the education sector, with interests in Les Petits Chaperons Rouges and Sommet Education.

* Excluding treasury shares, cash and cash equivalents and tax.

VALUE CREATION PER SHARE FOR SHAREHOLDERS



Change in Net Asset Value

(in euros per share)

A gauge of value creation, the Eurazeo Net Asset Value per share as of December 31, 2016 totaled €72.3, up by 6.7% in one year (adjusted for the exceptional dividend payment and the bonus share grant in 2016).

EURAZEO NAV: METHODOLOGY

Net Asset Value (NAV) is determined based on net equity as presented in Eurazeo's financial statements, adjusted to include investments at their estimated fair value in accordance with the recommendations set out in the International Private Equity Valuation Guidelines (IPEV).
The methodology adopted and the annual certification of the financial information relating to the NAV prepared by the Statutory Auditors are presented in the Eurazeo Registration Document available online.

We

NON-FINANCIAL INDICATORS

CSR, A KEY PERFORMANCE FACTOR

Eurazeo has defined ambitious improvement targets for 2020 and undertaken to publish an annual CSR report. In 2016, most results improved despite major changes in the portfolio with three exits and four additions.

	AMBITIONS	2020 OBJECTIVES	2015 RESULTS	2016 RESULTS
1	**INVEST RESPONSIBLY** Integrate CSR at all stages of the investment cycle	100% of due diligence in the advanced study phase of acquisitions to incorporate a CSR Section[1]	53%	70%
		100% of companies to develop CSR reporting	100%	100%
		100% of divestment operations to incorporate CSR information	100%	100%
2	**ESTABLISH EXEMPLARY GOVERNANCE** Ensure that all companies have exemplary governance bodies	100% of companies to have at least 40% female directors on the Board[2]	13%	6%
		100% of controlled companies to have at least 30% independent Directors on the Board[2]	50%	45%
		100% of companies to have an Audit Committee and a Compensation Committee	63%	69%
3	**CREATE SUSTAINABLE VALUE** Ensure that all companies have a CSR progress plan	100% of companies to have deployed Eurazeo's "CSR essentials"[3]	66%	67%
		The seven "CSR essentials"[4]:		
		• Appoint a CSR manager	13/16	13/16
		• Establish annual CSR reporting	16/16	17/17
		• Create an operational CSR committee	13/16	12/16
		• Include CSR issues on the agenda of Board meetings at least once a year	11/16	10/16
		• Conduct an environmental and/or greenhouse gas assessment every three years	7/16	9/17
		• Perform a social barometer every three years	9/16	10/16
		• Conduct CSR audits of priority suppliers	5/16	6/17
		100% of portfolio companies to have quantified CSR progress targets	31%	35%
		100% of companies to be involved in at least one CSR acceleration program	75%	82%
4	**BE A VECTOR OF CHANGE IN SOCIETY** Ensure that all companies improve their societal footprint	100% of companies to improve the protection and well-being of employees	56%	69%
		100% of companies to share value created or company profits with employees	56%	63%
		100% of companies to reduce their environmental impact	75%	77%

1. Due diligence is deemed to be in the advanced study phase when legal due diligence has been performed. The indicator covers all companies reviewed, including those that were not ultimately acquired. 2. On Supervisory Boards (SB) or Boards of Directors (BD). 3. The result is expressed as an average percentage of actions put in place by the companies. 4. The results are expressed in number of companies.

METHODOLOGY
The scope covered by the CSR strategy includes Eurazeo SA and all fully consolidated and equity-accounted companies. These companies are included in the calculation of indicators no later than the end of the second full year of ownership. The first full year of ownership determines, when necessary, a baseline derived from initial CSR reporting, from which subsequent variations are measured. The companies reviewed in respect of Eurazeo's CSR strategy in 2016 are as follows (those with an asterisk are part of the regulatory reporting scope under the Grenelle II law): ANF Immobilier*, Asmodee*, CIFA, Colisée Group*, Desigual, Dessange International*, Elis, Eurazeo PME*, Eurazeo SA*, Europcar, Flash Group*, Fintrax*, Fonroche, Léon de Bruxelles*, Péters Surgical* and Vignal Lighting Group*.

DELIVER

MEASUREMENT OF AVOIDED IMPACTS

Since 2015, Eurazeo has measured the impact of the CSR programs set up by its portfolio companies. In 2016, the total value generated was close to €200 million.

DIRECT IMPACTS

	Direct impacts	Value of saved expenses
426,000 hours of absence avoided	Reduction in absenteeism and work-related accidents	€13.7 million
5.9 million cubic meters of water saved	Reduction in water consumption	€11.4 million
575 GWh of energy saved	Reduction in energy consumption	€40.1 million
328,000 liters of fuel saved (*i.e. 136,600 tons of CO_2 eq. avoided*)	Reduction in fuel consumption	€0.3 million
	Total direct impacts	**€65.5 million**

INDIRECT IMPACTS

	Indirect impacts	Value of avoided expenses
AccorHotels: **450,000 tons** of CO_2 eq. captured*	Customer towel reuse program	€20.7 million
Foncia**: **1,341 GWh** of energy saved (*i.e. 678,000 tons of CO_2 eq. avoided*)	Improvement in the energy performance of buildings for customers	€110.5 million
	Total indirect impacts	**€131.2 million**

TOTAL DIRECT + INDIRECT IMPACTS

426,000 hours of absence avoided

5.9 million cubic meters of water saved

1,916 GWh of energy saved

328,000 liters of fuel saved

i.e. 1,264,600 tons of CO_2 eq. avoided

Total direct + indirect impacts **€196.7 million**

* Measured in 2014, over a reference period of 100 years
** Company sold in 2016

Scope: AccorHotels, Asmodee, Colisée, Dessange, Elis Foncia, Péters Surgical and Vignal Lighting Group. The detailed methodology is available on the Eurazeo website, under the heading Responsibility.

We

SHAREHOLDER RELATIONS

BEING A EURAZEO SHAREHOLDER

Eurazeo is dedicated to serving its shareholders and therefore greatly values their confidence. By combining value creation and risk control, it can offer an attractive total rate of return in the long term, confirmed by a solid dividend distribution policy. Focusing on the links between them, it seeks to obtain the resources to satisfy shareholders' expectations in terms of reporting and meetings.

A LOYAL SHAREHOLDER BASE

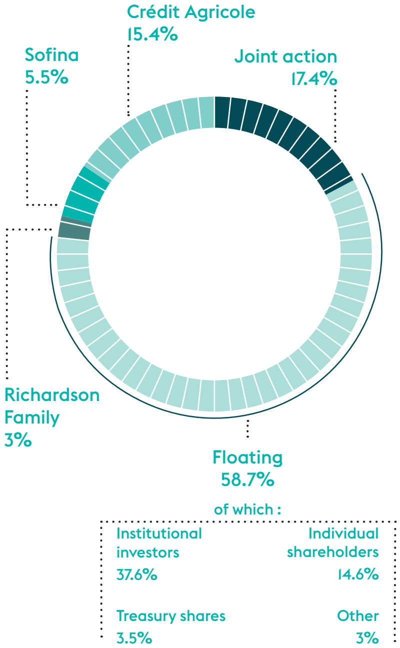
Eurazeo's shareholder base is one of its key strengths. Its long-term family and institutional shareholding structure is combined with the visibility inherent to its listed company status.

Eurazeo is one the largest listed European investment companies, giving all types of investors direct access to private equity assets offering the liquidity of listed shares for the amounts they wish to invest.

It therefore works with investors worldwide and draws on a geographically diverse institutional shareholder base.

However, Eurazeo can also rely on a solid individual shareholder base to which it attaches a particular importance.

EURAZEO SHAREHOLDER STRUCTURE AS OF 12/31/2016



AN ATTRACTIVE TOTAL RETURN

In keeping with its long-term vision, Eurazeo coordinates its activity in order to create sustainable value and return for its shareholders. The ideal performance indicator for shareholders is the Total Shareholder Return (TSR), rather than the share price.

This indicator takes into account paid dividends and the company's stock market value trend. In the last five years, the total shareholder return offered by the Eurazeo share (207%) largely outperformed that of the CAC 40 (80%) or even the European private equity index, the LPX Europe (151%). Eurazeo's active share buyback and distribution policy for its shareholders contributed to this outperformance.

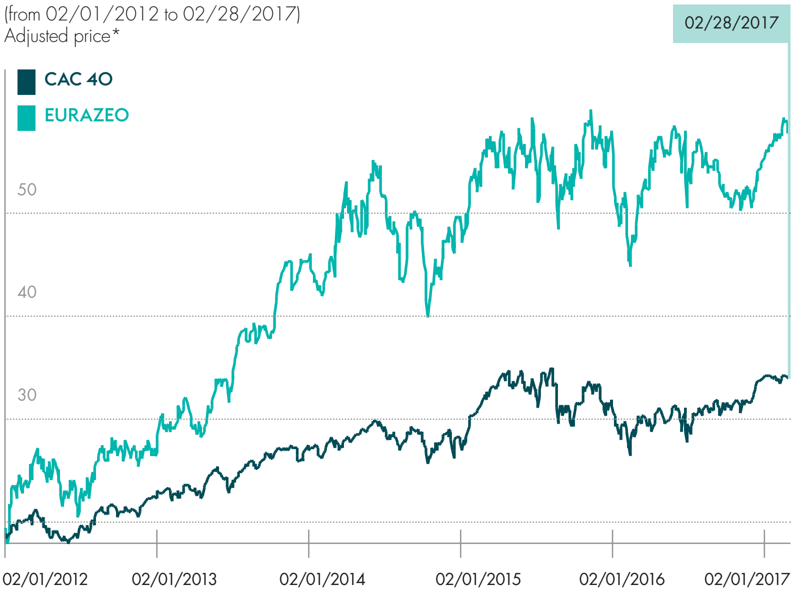
DELIVER

KEY FEATURES OF THE EURAZEO SHARE

- **Listing:** listed on the Eurolist of the Paris Euronext market in compartment A (market capitalizations exceeding €1 billion), the Eurazeo share is also eligible for deferred settlement (SRD).
- **ISIN code:** FR0000121121
- **Reuters ticker:** Eura.pa
- **Bloomberg ticker:** RF FP
- **Indices :** the Eurazeo share is tracked on the following indices: SBF 120, SBF 250 CAC All Shares, CAC Mid & Small 190, DJ Euro Stoxx, MSCI Europe, LPX Europe (European private equity index).
- **Consultation :** the Eurazeo share price can be consulted at the website www.eurazeo.com, with a deferred update every 15 minutes.

EURAZEO SHARE VERSUS CAC 40: COMPARATIVE TREND OF THE TOTAL SHAREHOLDER RETURN OVER FIVE YEARS

(from 02/01/2012 to 02/28/2017)
Adjusted price*



*Price adjusted for any type of dividend, cash or securities and bonus share grants via a capital increase.

DIVIDEND GROWTH

In terms of shareholder dividend distribution, Eurazeo is keen to pursue an attractive policy in the long term. Dividends are regularly paid out and have been steadily growing, from + 6.4% per year on average since 2004. Exceptional dividends are also distributed at specific times in the life of the company, as was the case in 2016 in respect of 2015.

In respect of 2016, a cash dividend per share of €1.20 will be proposed to the Shareholders' Meeting of May 11, 2017, together with the allocation of one bonus share for twenty shares held.

SHARE BUYBACKS AND CANCELLATIONS

Eurazeo also implements an active share buyback policy, when justified by the discount, i.e. the difference between the NAV per share and the stock market price, and within the limit of its authorizations. The vast majority of the shares purchased are cancelled in the course of the year, thereby increasing the NAV per share and automatically creating value for the shareholders.

In 2016, Eurazeo therefore bought back 3,934,484 shares, and cancelled 3,969,449 shares, i.e. 5.7% of capital as of December 31, 2015. As of December 31, 2016, the number of outstanding shares was 69,704,094.

8,892
individual shareholders
with more than 100 shares identified as of 12/31/2016

83.2%
percentage of Eurazeo institutional shareholders
outside France

REPORTING RENOWNED FOR ITS QUALITY

Eurazeo forges long-standing relationships with its shareholders and the entire financial community by providing regular, detailed and transparent reporting and always finding time to exchange with its stakeholders. Eurazeo's reporting system was further improved in 2016.

Eurazeo offers its individual and institutional shareholders various formats for communicating information– website, press releases, shareholders' letters, annual review, registration document, daily information on social networks, etc. Its reporting system has been praised on several occasions: TopCom d'Argent and Special Jury Prize in the listed company annual report category for the most recent edition of its annual review and 2nd place in the financial services sector at the SBF 120 Grands Prix de la Transparence awards, in competition with major market institutions.

DIVIDEND DISTRIBUTION FROM 2004 TO 2017*
(IN MILLIONS OF EUROS)

* Subject to the approval of the Shareholders' Meeting
**Estimated amount based on the number of outstanding shares as of 12/31/2016

MEETING OUR SHAREHOLDERS

Eurazeo has set up a policy whereby it regularly meets with its shareholders. The General Shareholders' Meeting is naturally the leading event for discussions on the Company's achievements and projects; on May 12, 2016, it brought together more than 400 shareholders onsite.

Eurazeo has rolled out a steady program of international roadshows, enabling Eurazeo management to meet a total of 357 institutional investors. The main destinations visited are the UK, North America, Scandinavia and of course France, where Eurazeo has numerous institutional shareholders.

The gradual expansion of these programs boosted the international profile of Eurazeo's shareholders this year.

AN INVESTOR DAY DEDICATED TO GROWTH

Eurazeo organized its annual Investor Day for institutional investors on November 18, 2016. This edition was dedicated to the various levers that have been activated to secure Eurazeo's future growth and that of its portfolio companies.

Three major topics were discussed: international expansion, the transformation and growth potential of portfolio companies, and the construction of new international groups from carve-outs. The event was an opportunity to illustrate how Eurazeo is much more than just an investment company. Like all Eurazeo's financial reporting events, Investor Day was broadcast live on the Eurazeo website, thus giving all our shareholders access to this event.

2016 BRONZE AWARD FOR THE BEST DIGITAL COMMUNICATION

Each year, Le Revenu awards prizes for the best CAC 40 and SBF 120 shareholder relations to encourage businesses to improve the quality of their financial reporting for the general public.

In 2016, Eurazeo received the Bronze award for the best digital communication in the SBF 120. Its website won for its extensive content, user friendliness and simplicity of use.

OPPORTUNITIES FOR DIALOGUE WITH INDIVIDUAL SHAREHOLDERS

Eurazeo is convinced that individual shareholders are real assets for a listed company. It therefore takes part in annual information meetings reserved for shareholders, such as in Toulouse and Montpellier this year. A total of 450 people participated in these events, while over 100 people attended a Eurazeo presentation at the Actionaria trade show in Paris.

Furthermore, in October 2016, Eurazeo conducted an online study of the understanding and expectations of its individual shareholders. The high participation rate and the wealth of contributions were an initial indicator of shareholder commitment and attachment to the Company. The results confirmed shareholders' positive view of Eurazeo and the confidence that its management inspires. Several improvements were outlined and have been taken into account, such as more readily available communication, with more learning methods.

We Drive

OVER THE PAST TEN YEARS, WE HAVE BOLSTERED OUR COMMITMENTS FOR RESPONSIBLE AND SUSTAINABLE ACTIVITY. AS AN INVESTOR IN THE REAL ECONOMY, WE CONTRIBUTE TO VIGOROUS AND POSITIVE GROWTH FOR ALL OUR STAKEHOLDERS. WE ARE AT THE FOREFRONT IN IDENTIFYING AND REDUCING THE RISKS RELATING TO OUR ACTIVITIES. OUR GOVERNANCE IS THE BEST GUARANTEE OF OUR COMMITMENTS.

DISTINCTIVE VALUES

Eurazeo's values go beyond just words
by guiding our actions and those of our employees.
They fully reflect our specific identity.

AUDACITY
LONG-TERM
INDEPENDENCE
RESPONSIBILITY
EXPERTISE

Audacity

In our business, being audacious means daring to follow your convictions to go the extra mile.

Long-term

We are convinced that companies can only grow in the long-term.

Independence

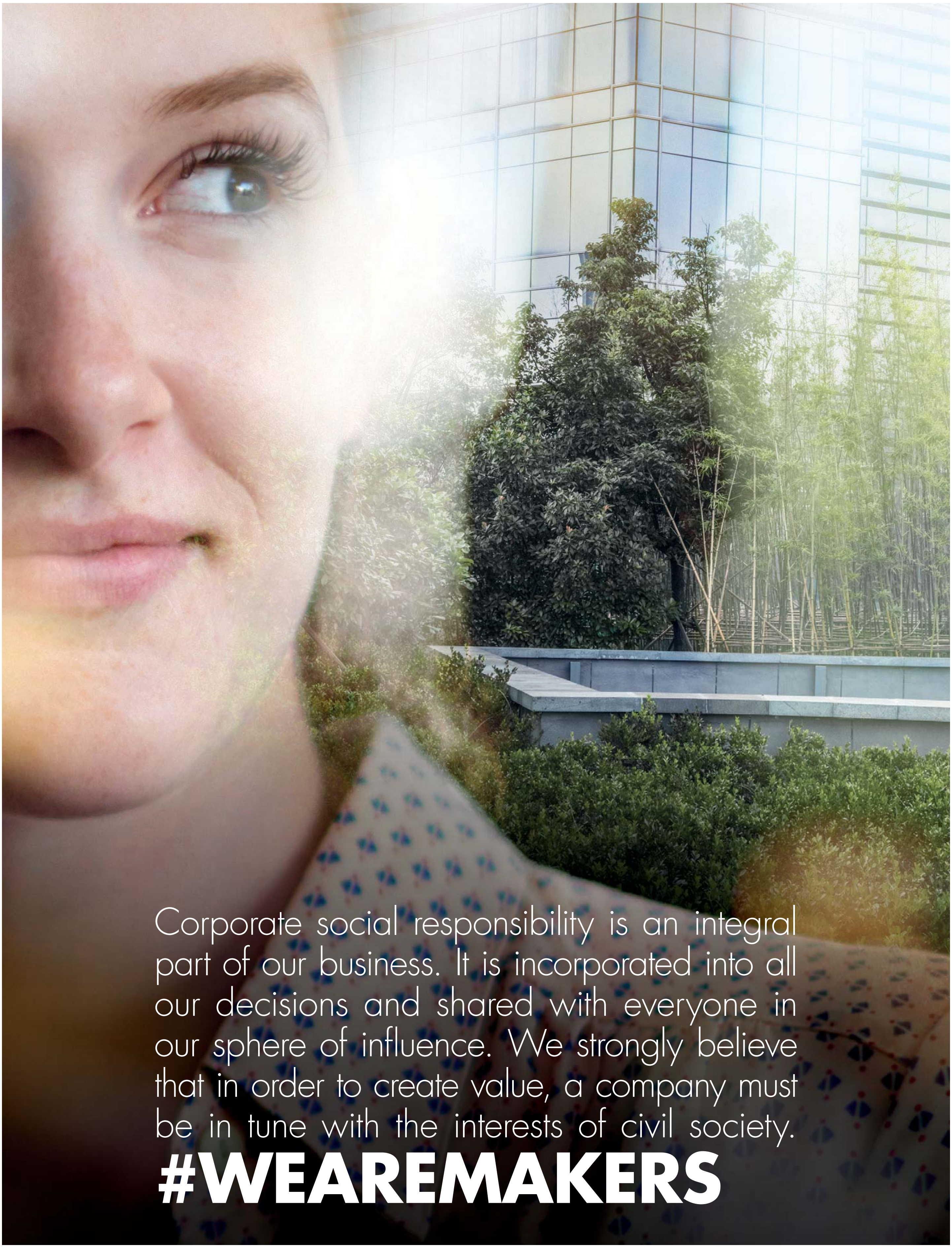
We stand for independence of spirit, financial independence and independence from external pressure.

Responsibility

Our role as a committed professional shareholder means knowing how to combine sustainable development with value creation.

Expertise

Our strength lies in our in-depth understanding of the markets where we operate and the companies in which we invest.


Corporate social responsibility is an integral part of our business. It is incorporated into all our decisions and shared with everyone in our sphere of influence. We strongly believe that in order to create value, a company must be in tune with the interests of civil society.
#WEAREMAKERS

RESPONSIBLE COMMITMENTS

Eurazeo is aware that Corporate Social Responsibility (CSR) creates value. The four pillars of our 2020 CSR strategy reflect our ambition: place our business and that of our portfolio companies under the umbrella of responsibility.

Investing responsibly

—

Ambition:
Integrate CSR at all stages of the investment cycle.

Establishing exemplary governance

—

Ambition:
Ensure that all Eurazeo companies have exemplary governance bodies.

Creating sustainable value

—

Ambition:
Ensure that all Eurazeo companies have a CSR progress plan.

Being a vector of change in society

—

Ambition:
Ensure that all companies improve their impact upon society.

DRIVE

OUR STRATEGY V/V

CHOOSING RESPONSIBILITY

Responsibility is a founding value of Eurazeo that underlies all its initiatives. This ambition, which is reflected in each facet of its activity and for all stakeholders, has become a distinguishing feature. It boosts the appeal and performance of the model, at a time when Corporate Social Responsibility is of growing importance.

FROM VISION TO ACTION

Responsible by experience

Eurazeo is unlike any other private equity firm. Its sense of responsibility is a building block of its identity, forged by over 130 years of history. This heritage is mainly reflected in a long-term vision of company growth, a constant focus on its robust business model and a desire to contribute to society.
Eurazeo's responsibility is illustrated on a daily basis by the concrete actions and the culture it transmits in its sphere of influence: a mature governance practice, combining clear responsibilities, a well-defined structure and transparency; strict business ethics and tight risk control, over and above the financial risks. Eurazeo strives to maintain a certain balance when considering the interests of its various stakeholders, starting with its shareholders, teams and the companies it supports. This sense of responsibility is also expressed in its commitments: gender diversity, education and the fight against climate change.

A Corporate Social Responsibility pioneer

Eurazeo is the first private equity firm to have invested in CSR by formalizing a strategy tailored to the issues of its shareholder business; a proactive approach to better respond to the Company's new challenges. For nearly ten years, Eurazeo has therefore set ambitious targets for itself and its portfolio companies, by mustering substantial resources and helping them define a strategy that encompasses all aspects of CSR. A dedicated team was set up to deliver a roadmap defining the quantified priorities and objectives for 2020. Based on this action plan, Eurazeo launched a continuous improvement process in order to develop the CSR practices of the companies in which it is a shareholder: all companies have made progress in adopting the "Seven CSR essentials" and initiated at least one an acceleration program. The approach is gradually expanding. In 2016, Eurazeo made headway in the fight against climate change and the transition to a low carbon economy.

An integrated approach

In an increasingly complex environment, CSR is a performance and long-term value creation driver. It is incorporated into the very core of Eurazeo's business, with teams systematically considering CSR challenges (environmental, social, societal and governance) at each stage of the investment cycle. They rely on proprietary methodologies: materiality scoring, economic

We

and industrial resilience studies; road maps and "toolboxes" created for each portfolio company incorporating its specific CSR challenges; vendor due diligence processes in order to leverage the progress achieved during the Eurazeo shareholding period. Finally, as the best way to develop a CSR strategy is to demonstrate its economic relevance, Eurazeo is one of the first investment companies to have perfected an innovative methodology for measuring the economic gains generated by the social and environmental actions undertaken by its portfolio companies.

Together for steady progress

To push back the boundaries, Eurazeo instructs and encourages its portfolio companies to become involved in acceleration programs such as Eurazeo Pluriels, which focuses on adopting initiatives to promote gender diversity.
Eurazeo and its companies have also made progress in responsible purchasing by sharing, among the tools created, a responsible purchasing charter and a materiality analysis of CSR risks relating to the supply chain.
These regular exchanges are one of the strengths of the Eurazeo CSR model, as best practices can be quickly adopted thanks to this shared approach.

•

Nearly
€200M
in avoided expenses as of 12/31/2016 as a result of CSR programs.

82%
of our companies are involved in at least one CSR acceleration program.

AND THE FUTURE?

Three major priorities promoted by Eurazeo among the companies in which it is a shareholder:

"decarbonization" of activities and, more generally, the transition to a low carbon economy;

•

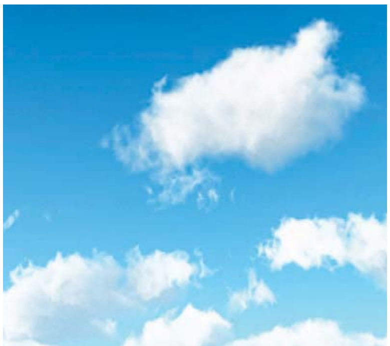
enhancement of responsible purchasing practices;

•

and, as always, the ambition to maintain the highest standards in terms of business ethics.

DRIVE

EURAZEO
rises to the carbon challenge



In 2015, the carbon impact of human activity on the climate was finally recognized as a global challenge. The agreement arising from the 2015 Paris Climate Change Conference (COP 21), adopted by 195 countries, has now set the target: reduce global warming to 2°C by 2100. The objective has been translated into a carbon "budget", which defines the limits for fossil fuel consumption, with the threshold now estimated at around 20% of the current global reserves (source: carbontracker.org).

A NEW CARBON RISK

Committed to combating climate change, the European Union is forging ahead with its transition to a low carbon economy. In France, this has resulted in a change in legislation, which requires more and more businesses, including investment companies, to draw up an assessment of their carbon emissions and propose plans to adapt to climate change. This growing consideration of carbon issues - to the point that we now refer to the "carbon bubble" - has a direct economic impact on certain sectors. Companies in the fossil fuel sector have therefore seen their assets depreciate.

EURAZEO, A PROACTIVE VOLUNTEER

Driven by climate issues, Eurazeo delivers scenario-based modeling in order to measure and reduce the carbon impact and risk exposure of its portfolio companies. In 2015, the strategy gathered momentum with the launch of the 2020 Carbon Initiative, alongside four other private equity players. The aim of this initiative, a sector first, is to measure and reduce the portfolio companies' greenhouse gases (GHG) using a common methodology that is applicable in the long term and can be widely shared. Among the commitments, undertaken is the publication of the portfolio companies carbon footprint by 2020. At the end of 2016, all Eurazeo's companies[1] had successfully initiated or completed this project.

PUSHING BACK THE BOUNDARIES

Further progress was made in 2016. In line with the COP21, Eurazeo intensified its efforts and broke new ground beyond the regulatory framework by becoming the first company in the sector to respond to the Carbon Disclosure Project (CDP). It is also at the cutting edge in supporting its portfolio companies. Working with one of the industrial companies of its portfolio, Eurazeo is currently setting up the Science Based Target (SBT) approach, an innovative methodology for calculating the carbon budget available to the company. Eurazeo's short-term objective is to apply this methodology to all portfolio companies for which carbon is a major issue.

1. Fully consolidated or equity-accounted.

"THE CONSIDERATION OF THE CLIMATE FACTOR HAS BECOME A KEY INDICATOR OF A COMPANY'S PERFORMANCE AND, ABOVE ALL, ITS SUSTAINABILITY."

Sophie Flak,
Director of Eurazeo Corporate Social Responsibility (CSR) and Digital

We

GOVERNANCE

SUPERVISORY BOARD

As of December 31, 2016, the Eurazeo Supervisory Board had thirteen members, including seven independent members and one non-voting member.

DRIVE

1. MICHEL DAVID-WEILL
Chairman of the Supervisory Board
End of term of office: 2018

2. JEAN LAURENT***
Vice-Chairman of the Supervisory Board, Chairman of the Board of Directors of Foncière des Régions
End of term of office: 2017

3. BRUNO ROGER
Honorary Chairman of the Supervisory Board, Chairman of Lazard Frères (SAS) and Compagnie Financière Lazard Frères (SAS) and Chairman of Lazard Frères Banque

4. CHRISTOPHE AUBUT
Member of the Supervisory Board representing employees
End of term of office: 2019

5. HAROLD BOËL*
Chief Executive Officer of Sofina SA
End of term of office: 2020

6. ROLAND DU LUART
Company director
End of term of office: 2020

7. ANNE LALOU*
Managing Director of La Web School Factory
End of term of office: 2018

8. VICTOIRE DE MARGERIE*
Main shareholder and Chairwoman of Rondol Industrie
End of term of office: 2020

9. MICHEL MATHIEU
Deputy Chief Executive Officer of Crédit Agricole SA, Chief Executive Officer of LCL
End of term of office: 2018

10. FRANÇOISE MERCADAL-DELASALLES*
Member of the Executive Committee and Group Head of Corporate Resources and Innovation at Société Générale group
End of term of office: 2019

11. OLIVIER MERVEILLEUX DU VIGNAUX
Manager of MVM Search Belgium
End of term of office: 2018

12. STÉPHANE PALLEZ*
Chairwoman and Chief Executive Officer of La Française des Jeux (FDJ)
End of term of office: 2017

13. GEORGES PAUGET*
Managing Partner of Almitage. Lda
End of term of office: 2020

14. JACQUES VEYRAT***
Chairman of Impala SAS
End of term of office: 2017

15. JEAN-PIERRE RICHARDSON
Non-voting member
Chairman and Chief Executive Officer of Joliette Matériel SA
End of term of office: 2018

16. ANNE DIAS* **
New member
Founding Chairwoman of Aragon Global Holdings
End of term of office: 2021

* Independent member.
** Member of the Supervisory Board whose appointment will be proposed to the Shareholders' Meeting of May 11, 2017.
*** Member whose reappointment will not be submitted to the Shareholders' Meeting of May 11, 2017.

SUPERVISORY BOARD COMMITTEES

The Eurazeo Supervisory Board has four specialized and permanent committees to help in the decision-making process (composition as of 12/31/2016).

COMPENSATION AND APPOINTMENT COMMITTEE

4 members (including 2 independent members)

CHAIRMAN
Roland du Luart

MEMBERS
Françoise Mercadal-Delasalles
Olivier Merveilleux du Vignaux
Georges Pauget

PERMANENT GUEST
Christophe Aubut

NUMBER OF MEETINGS IN 2016: 4

AUDIT COMMITTEE

4 members (including 3 independent members) and 1 non-voting member

CHAIRMAN
Jean Laurent

MEMBERS
Harold Boël
Michel Mathieu
Stéphane Pallez

NON-VOTING MEMBER
Jean-Pierre Richardson

NUMBER OF MEETINGS IN 2016: 5

FINANCE COMMITTEE

6 members (including 3 independent members)

CHAIRMAN
Michel David-Weill

MEMBERS
Anne Lalou
Jean Laurent
Jacques Veyrat
Michel Mathieu
Victoire de Margerie

PERMANENT GUEST
Bruno Roger

NUMBER OF MEETINGS IN 2016: 1

CSR COMMITTEE

4 members (including 2 independent members)

CHAIRMAN
Anne Lalou

MEMBERS
Roland du Luart
Stéphane Pallez
Georges Pauget

NUMBER OF MEETINGS IN 2016: 2

We

THE EXECUTIVE BOARD

The members of the Executive Board are collectively responsible for the management of Eurazeo. They are closely involved in the partnership formed by Eurazeo with its companies and assist their management teams daily.

DRIVE

VIRGINIE MORGON
Deputy CEO, 47 years old

Virginie Morgon oversees Eurazeo's portfolio companies. She is the President of Eurazeo North America Inc. and also chairs the Supervisory Board of Eurazeo PME. For the companies, she chairs the Supervisory Board of Asmodee Holding, is Vice-Chairwoman of the Board of Directors of Moncler, a director of Desigual and a member of the Supervisory Board of Les Petits Chaperons Rouges. She oversees deal flow, communication, NAV and fundraising.

PATRICK SAYER
CEO, 59 years old

In addition to his duties at Eurazeo, Patrick Sayer is a member of the Supervisory Boards of ANF Immobilier and Europcar Group. He is a director of AccorHotels and a member of the Board of Directors of I-Pulse.

PHILIPPE AUDOUIN
Chief Financial Officer, 59 years old

Philippe Audouin is responsible for finance, treasury, management control, internal audit, IT, investor relations and communication. He sits on the Supervisory Boards of ANF Immobilier, Elis, Eurazeo PME and Europcar Group.

THE EXECUTIVE COMMITTEE

The Executive Committee reviews portfolio companies each month and issues recommendations on Eurazeo's investments and divestments. In addition to the Executive Board, the eight members of the Executive Committee include:

MARC FRAPPIER
Managing Partner
Head of Eurazeo Capital

RENAUD HABERKORN
Managing Partner
Chief Investment Officer of Eurazeo Patrimoine

NICOLAS HUET
Eurazeo General Counsel
Executive Board Counsel

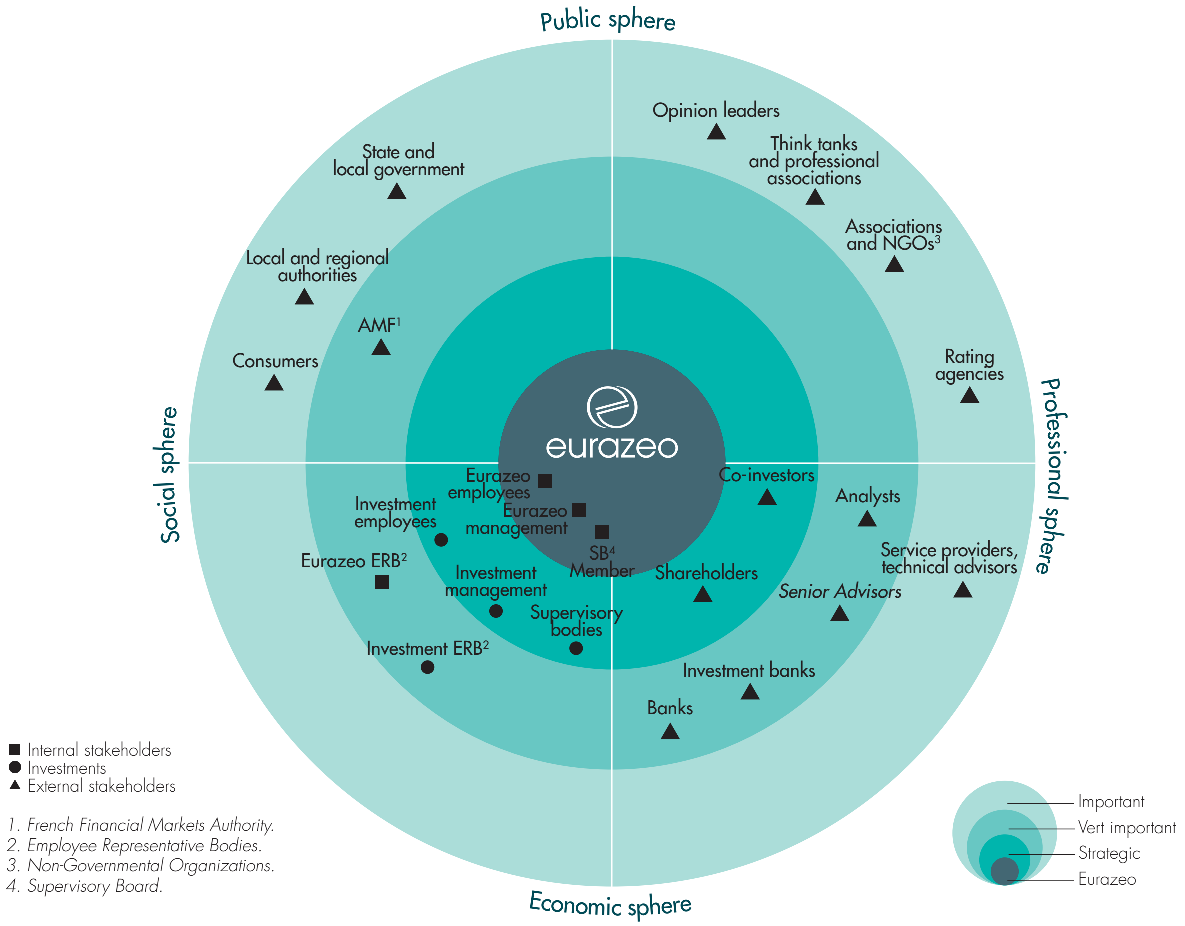
OLIVIER MILLET
Chairman of the Executive Board
of Eurazeo PME

FRANS TIELEMAN
Managing Partner
Head of Eurazeo Development

We

OUR STAKEHOLDERS

Through consistent communication with stakeholders, Eurazeo's governance fulfills one of its primary roles: to anticipate risks and opportunities in a changing world to help the Group and its portfolio companies develop a sustainable and responsible business. Since 2015, Eurazeo has mapped these stakeholders, their importance and expectations.



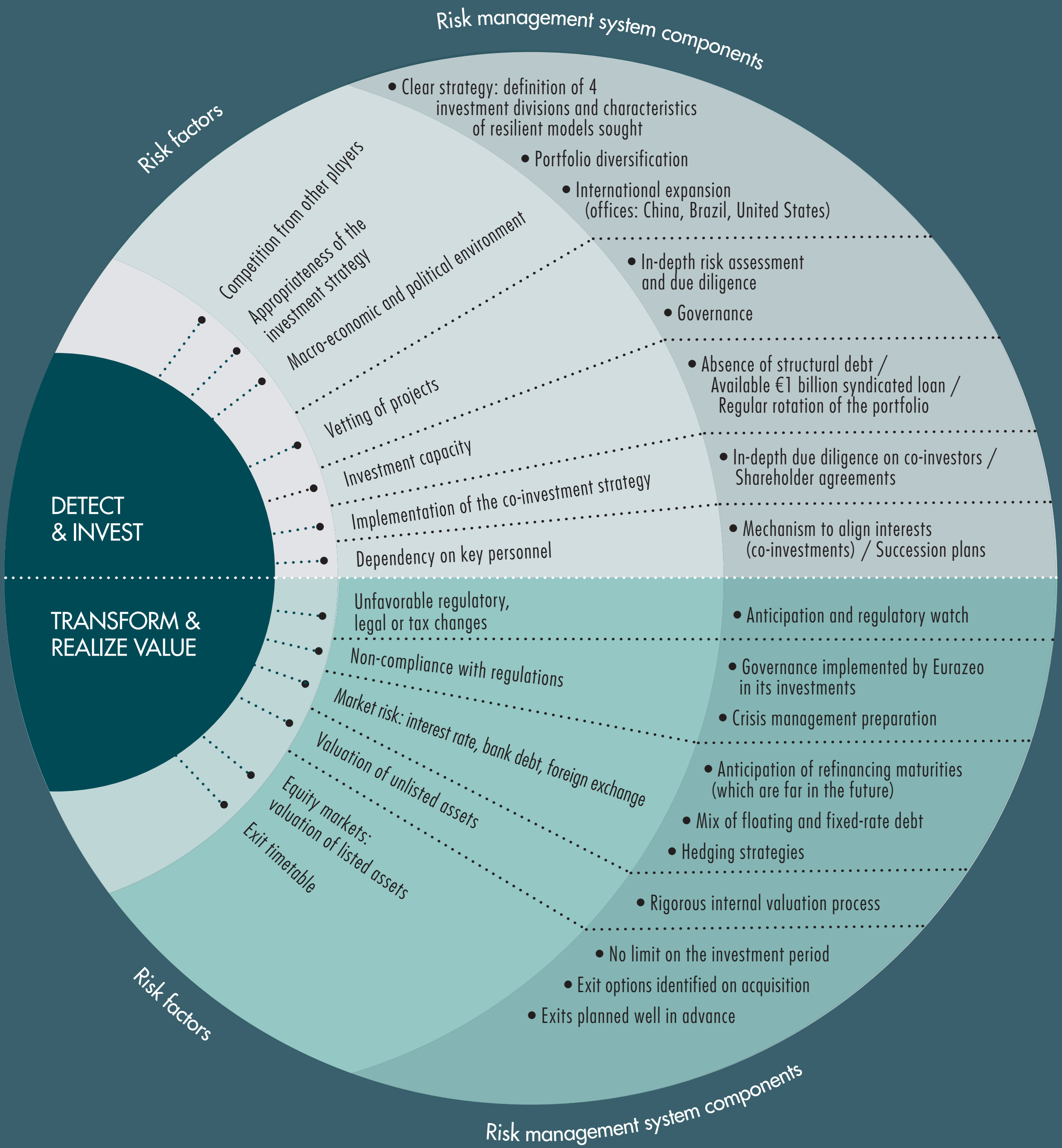
1. *French Financial Markets Authority.*
2. *Employee Representative Bodies.*
3. *Non-Governmental Organizations.*
4. *Supervisory Board.*

	MAIN EXPECTATIONS	MEANS OF ACTION
Directors	• Recurring performance • Perfect control and anticipation of risks • Transparency of financial and non-financial aspects • Highest standards of governance and high-quality dialogue	• Supervisory Board, Board committees • Board meeting documentation and minutes
Shareholders	• Recurring performance • Perfect control and anticipation of risks • Transparency of financial and non-financial aspects • Highest standards of governance and high-quality dialogue	• Regulatory and non-regulatory publications • Shareholders' Meetings and investor meetings • Road shows and investors meetings
Employees	• High-quality employees and management, trust and team spirit • Interesting subjects and projects • Attractive compensation package and profit-sharing • Skills development	• Personal interviews • Weekly and monthly internal meetings • Company seminar • Internal and external communication
Investments	• Funding • Partnership • External growth support • Assistance with international expansion • Contribution of expertise • Network	• Meetings and interviews • Supervisory Boards and Board committees • Shareholder and other agreements • Seminars and conventions

DRIVE

OUR RISK MANAGEMENT

As an equity investor operating in an environment surrounded by uncertainties, Eurazeo is faced with a set of risks that may hinder the completion of its objectives. At each key phase of its investment business, Eurazeo has implemented processes designed to identify and prevent the primary risks. This system is effective due to the heavy involvement of corporate executive officers and employees, at their respective levels of responsibility and authority, and a strong risk management culture.



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FEATS IN 2016

Eurazeo strives to further societal progress, within and beyond its scope of responsibility. At the core of its commitments are education and gender diversity, both performance and success drivers.

EDUCATION ▶

COMBATING ACADEMIC FAILURE

Eurazeo has rolled out its sponsorship strategy, focusing on education, and, more specifically, the fight against academic failure. An initial program was set up to teach young students basic reading and writing skills using a digital application on a tablet. Thanks to Eurazeo's support, around 20 classes in Paris' 19th district, Calais and Corbeil-Essonnes have already benefited from this initiative undertaken by the Agir pour l'école association. A second program in the form of a "semi-boarding school" was developed with Apprentis d'Auteuil. Under this program, students received personal assistance with their homework. Since the start of the 2015 school year, more than 70 students have received this unique academic support. In 2016, Eurazeo extended its social commitment by supporting Teach for France, an association promoting an original idea for greater equality in schools. This offers young volunteer graduates the possibility of taking up two-year vacant positions in the French National Education system in schools located in priority education networks. In 2016, 29 students joined high schools in the départements of Seine-Saint- Denis and Val-de-Marne. •

◀ MENTORING

AN INNOVATIVE MENTORING PROGRAM

Eurazeo strongly believes that gender diversity is a key performance factor. Launched in 2014, the Eurazeo Pluriels program was set up to promote gender diversity within Eurazeo and the companies in which it is a shareholder. This commitment was confirmed in 2016 with the launch of a unique cross-mentoring program, combining employees from 15 portfolio companies. Designed to further the professional development of the participants, this innovative mentoring introduces male-female mentor/mentee pairings, thus ensuring diversity in terms of gender, generation and type of company. •

OTHER MANAGEMENT REPORT INFORMATION

SIMPLIFIED ORGANIZATIONAL STRUCTURE

eurazeo capital

UNLISTED INVESTMENTS

- Asmodee
- Fintrax
- Novacap
- Sommet Éducation
- Desigual
- Neovia
- LPCR
- Banca Leonardo

LISTED INVESTMENTS

- Elis *
- AccorHotels *
- Europcar *
- Moncler *

eurazeo pme

- Colisée
- Dessange International
- Léon de Bruxelles
- Vignal Lighting Group
- Groupe Flash
- Péters Surgical
- MK Direct
- Orolia
- The Flexitallic Group
- AssurCopro (1)
- Fondis Bioritec

eurazeo patrimoine

- Fonroche (2)
- CIFA
- Grape Hospitality
- ANF Immobilier *
- Colyzeo

eurazeo croissance

- Farfetch
- IES
- I-Pulse
- People Doc
- Vestiaire Collective
- Younited Credit

eurazeo Development

- iM Square
- Capzanine
- Raise
- Third-party fund management

Fully-consolidated companies
Equity-accounted associates
Non-consolidated companies
Acquisitions during the year

* *Listed company.*
(1) *AssurCopro is consolidated from January 1, 2017.*
(2) *Fonroche solar energy division assigned to Eurazeo Patrimoine in 2017.*

In summary, fully-consolidated companies in 2016 comprise Asmodee, Fintrax, Sommet Education (second half) and Novacap (second half) in Eurazeo Capital; Colisée, Dessange, Léon de Bruxelles, Péters Surgical, Vignal Lighting Group, Flash Europe, MK Direct (second half) and Orolia (second half) in Eurazeo PME; and ANF Immobilier, CIFA and Grape Hospitality (second half) in Eurazeo Patrimoine. Consolidated revenue, adjusted EBIT and net finance cost data corresponds to fully-consolidated companies.

Equity-accounted associates in 2016 comprise Desigual, Neovia, Les Petits Chaperons Rouges (from the second quarter), Elis, Europcar, Foncia (first half), AccorHotels and Moncler in the first half and Moncler in Eurazeo Capital and Fonroche in Eurazeo Croissance.

Percentage interests are presented in Note 15 to the consolidated financial statements (p. 274 to 288).

CHANGES IN CONSOLIDATION SCOPE

As part of its portfolio rotation strategy, in 2016 Eurazeo performed eight investments, one reinvestment, four partial and total divestments, one syndication and the Eurazeo Capital II fundraising for a total of €2,257 million.

New investments

In 2016, Eurazeo invested a total of €833 million in eight new companies and one existing investment. A full presentation of these companies is provided in Section 1.2 (pages 31 to 47).

Eurazeo Capital completed three acquisitions and signed an exclusivity agreement

In March 2016, Eurazeo Capital acquired a 41.0% stake in Les Petits Chaperons Rouges (LPCR). Created in 2000, LPCR is a pioneer in employer-sponsored nurseries and is now the number two private player in the French nursery market, offering clients its Chaperons & Cie network of nearly 850 establishments, including 250 directly operated by the Group.

In June 2016, Eurazeo Capital acquired the entire share capital of two Swiss hospitality management schools, Glion Institute of Higher Education ("Glion") and Les Roches International School of Hotel Management ("Les Roches") and created the Sommet Education group.

In June 2016, Eurazeo Capital invested in the Novacap group, a global player in the pharmaceutical and chemicals industry, for an enterprise value of €654 million (together with a maximum additional payment of €30 million in 2018 depending on the company's performance).

Eurazeo Capital also signed an exclusivity agreement with Mondelez International for the acquisition of more than ten iconic European chocolate and confectionery brands, which will be developed and combined within a new group created for this purpose. This transaction should be completed in the second quarter 2017.

Eurazeo Patrimoine

On July 1, 2016, Eurazeo Patrimoine announced the creation of Grape Hospitality, a platform dedicated to the hotel business, owned primarily by Eurazeo (57%) and AccorHotels (29%) and comprising a portfolio of 85 hotels in Europe.

Eurazeo PME completed three investments in 2016 for a total of €104 million

In May 2016, Eurazeo PME invested in the MK Direct group alongside its management. Founded in 1923 and 1982, respectively, Linvosges and Françoise Saget are expert brands specialized in home linen, with a strong identity that combines quality and creativity.

In May 2016, Eurazeo PME acquired Orolia, the world leader in critical GPS applications.

In September 2016, Eurazeo PME acquired AssurCopro, an insurance broker dedicated to condominiums. Number one in the French market, AssurCopro has forged strong historical relations with insurance companies and more than 1,600 property managers in France.

Eurazeo Croissance

Eurazeo Croissance acquired a minority stake in Farfetch, an online marketplace for luxury goods and beauty products.

Disposals and syndications

Disposals in 2016

In 2016, Eurazeo monetized the transformation of three companies in its portfolio, capitalizing on favorable market conditions to perform total or partial disposals for a total amount of €1,058 million.

In September 2016, Eurazeo sold around 5% of Moncler to institutional investors, at a share price of €15.34. This sale generated net proceeds of approximately €195 million for Eurazeo. Eurazeo achieved a cash-on-cash multiple of 4.1x its investment.

Eurazeo carried out two partial sales of Elis shares. On April 15, 2016, Legendre Holding 27 (LH 27) performed an initial sale to institutional investors of 15% of Elis' capital, at a share price of €16.45 and for a Eurazeo share of €234 million. A second sale was performed on May 31, 2016 to Crédit Agricole (through its subsidiary Predica) of 10% of Elis' capital, at a share price of €16.86 and for a total amount of approximately €160 million. Eurazeo achieved a cash-on-cash multiple of 1.7x its investment on these two transactions.

In September 2016, Eurazeo sold its investment in Foncia to funds managed and/or advised by Partners Group. Eurazeo recorded proceeds of €469 million and multiplied its investment by 2.4x.

Syndications

On December 22, 2016, Eurazeo completed a €500 million fundraising, €340 million of which is already invested in seven companies (Asmodee, Desigual, Neovia, LPCR, Sommet Education et Novacap). Eurazeo also syndicated its investment in Grape Hospitality in 2016 in the amount of €26 million.

Deconsolidations

During the second half of the year, Eurazeo removed its investments in Moncler and AccorHotels from the scope of consolidation, recording an accounting capital gain on disposal without any cash impact (net divestment proceeds).

On October 14, 2016, following the expiry of the initial Moncler shareholders' agreement and the signature of a new agreement, Eurazeo lost its significant influence over the group. The Moncler shares were deconsolidated based on the most recent published accounts at the date of loss of significant influence.

Following the sale of shares by Colony launched in November 2016 (after the loss of a seat on the Board of Directors and dilution in July 2016), Eurazeo lost its significant influence over the AccorHotels group. The shares were deconsolidated based on the most recent published accounts at the date of loss of significant influence.

Capital gains on disposal

Net capital gains of €831.6 million presented in the management income statement in Section 1.5.3 include realized capital gains on disposal of €777.2 million and changes in the fair value of AccorHotels and Moncler shares of €54.4 million, as these two shares are now recorded in financial assets at fair value through profit or loss.

Realized capital gains on disposal total €777.2 million and primarily consist of: €378.4 million for Moncler (disposal and deconsolidation), €230.0 million for Foncia, €120.5 million for Elis and €27.1 million for AccorHotels. Capital gains on disposal take account of the consolidation cost price, which includes consolidation journals in addition to the acquisition price paid.

The realized results on disposals, changes in fair value and capital gains on securities recognized in the consolidated financial statements are broken down in Notes 4.2 and 8.2 to the consolidated financial statements in the Registration Document (p. 240 and 254).

NET ASSET VALUE

The Eurazeo Net Asset Value (NAV) as of December 31, 2016 is €5,026 million. NAV per share is €72.3, up 6.7% on €67.8 as of December 31, 2015, adjusted for the 2016 bonus share grant and the exceptional dividend paid in 2016.

	% interest [3]	Number of shares	Share price *(In euros)*	NAV as of December 31, 2016 *(In millions of euros)*	with ANF at NAV *ANF @ €27.2*
Eurazeo Capital Listed [2]				1,390.5	
Europcar	42.22%	60,545,838	9.40	568.9	
Elis	14.22%	16,215,587	15.60	252.9	
Moncler	7.94%	19,863,814	16.37	325.2	
Accor	3.69%	10,510,003	35.29	370.9	
Accor net debt				(127.4)	
Accor net * [1]				243.5	
Eurazeo Capital Unlisted [2]				1,225.4	
Eurazeo Croissance				244.2	
Eurazeo PME				404.9	
Eurazeo Patrimoine				439.8	509.3
ANF Immobilier	50.48%	9,596,267	19.99	191.9	261.3
Eurazeo Patrimoine Unlisted				247.9	
Eurazeo Development				142.2	
Other securities				81.5	
Eurazeo Partners [2]				34.7	
Other				46.9	
Cash and cash equivalents				1,083.6	
Tax on unrealized capital gains				(68.3)	(81.9)
Treasury shares	3.25%	2,262,405		82.0	
TOTAL VALUE OF ASSETS AFTER TAX				**5,025.7**	**5,081.5**
NAV PER SHARE				**72.3**	**73.1**
Number of shares				**69,499,077**	**69,499,077**

* *Net of allocated debt.*
(1) *Accor shares held indirectly through Colyzeo funds are included in the line item for these funds.*
(2) *Eurazeo investments in Eurazeo Partners are included in the Eurazeo Partners line item.*
(3) *The % interest is equal to Eurazeo's direct interest, with any interest held through Eurazeo Partners now included in the Eurazeo Partners line item.*

NAV Methodology

Net Asset Value (NAV) is determined based on net equity as presented in the Eurazeo company financial statements [1], adjusted to include investments at their estimated fair value in accordance with the recommendations set out in the International Private Equity Valuation Guidelines (IPEV) [2].

Pursuant to these recommendations, which propose a multi-criteria approach, the preferred method for valuing Eurazeo's unlisted investments is based on comparable multiples (stock market capitalization or transactions) applied to earnings figures taken from the income statement.

This valuation approach requires the exercise of judgment, particularly in the following areas:

- in order to ensure the relevance of the approach, samples of comparables are stable over time and include companies presenting characteristics as close as possible to our investments, particularly with respect to their business and market position; where appropriate, these samples may be adjusted to reflect the most relevant comparables;
- the earnings to which multiples are applied to obtain the enterprise value are primarily operating income, EBIT, gross operating income or EBITDA. The multiples are applied to data taken from the historical accounts (preferred method) [3] or alternatively forecast accounts for the coming year where these contribute additional, relevant information (Desigual, PeopleDoc, Younited Credit, IES and Vestiaire Collective as of December 31, 2016);
- the value of each investment is then obtained by subtracting the following amounts from the enterprise value, determined after adjustment, where applicable, for a control premium applied to equity (i) historical or forecast net debt at nominal value, as appropriate, (ii) a discount for liquidity, where applicable and (iii) the amount payable, where applicable, to other investors according to their rank and investment managers.

When the comparables method cannot be applied, other valuation methods are adopted, such as the Discounted Cash Flow method.

As of December 31, 2016, the values adopted for Asmodee, Desigual, Fintrax, Gruppo Banca Leonardo, Neovia, Fonroche, IES, I-Pulse, PeopleDoc, Vestiaire Collective, Younited Credit and the third-party management business, were subject to detailed review by an independent professional appraiser, Sorgem Evaluation [4]. This review concluded that the values adopted are reasonable and prepared in accordance with a valuation methodology in accordance with IPEV recommendations. Recent investments (LPCR, Novacap, Sommet Education and Farfetch) are valued at acquisition cost.

Listed investments [5] (listed investments and other listed assets) are valued based on the average, over the 20 days preceding the valuation date, of average daily share prices weighted for trading volumes. As the liquidity of the shares concerned is satisfactory, neither a discount nor a premium is applied to the share prices adopted. When the shares are held through a company that secured debt specifically to finance the investment, the transparent amount, net of borrowings secured by the holding company carrying the shares, is taken into account in the NAV.

Real Estate investments are valued as follows, at the valuation date: (i) for ANF Immobilier, in a similar way to listed investments, that is based on the share price (20-day average of weighted daily average share prices); (ii) for investment funds (Colyzeo and Colyzeo II), based on the most recent information communicated by fund managers; (iii) for CIFA, based on expert valuations and finally (iv) for Grape Hospitality, at acquisition cost as it is a recent investment.

The third-party fund management business was valued based on long-term stock market comparable multiples.

Cash and cash equivalents [6] and Eurazeo treasury shares are valued at the valuation date. Treasury shares allocated to share purchase option plans are valued at the lower of the closing price and the strike price.

Net Asset Value is reported after adjustment for the taxation of unrealized capital gains and invested capital likely to be due to management teams. The number of shares is the number of shares comprising the Eurazeo share capital less any treasury shares earmarked for cancellation.

(1) *Including, by transparency up to operating company level, the assets and liabilities of holding companies and intermediary funds controlled by Eurazeo and the structures carrying the co-investment programs for management and Eurazeo teams.*

(2) *These recommendations are recognized by the majority of private equity associations around the world, and particularly AFIC in France, and are applied by numerous funds. They may be consulted at the following internet address: http://www.privateequityvaluation.com/.*

(3) *Consolidated financial statements of each investment used to prepare the Eurazeo IFRS consolidated financial statements, before impairment of goodwill and amortization of intangible assets recognized on business combinations. Figures are adjusted, where appropriate, for non-recurring items.*

(4) *In accordance with the terms of its engagement, Sorgem Evaluation based its opinion on a comparison of values adopted by Eurazeo with a range of estimates obtained using the valuation methods considered most pertinent. The procedures performed by Sorgem Evaluation were based on (i) information communicated by Eurazeo, primarily business plans and available forecast data and (ii) publicly available information.*

(5) *Listed investments comprise investments in listed companies in which Eurazeo exercises control or significant influence. This is not the case for other listed securities.*

(6) *Cash and cash equivalents net of other assets and operating liabilities of Eurazeo, at their net carrying amount.*

Statement by the Statutory Auditors regarding Eurazeo's net asset value as of December 31, 2016

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31, 2016

To the Chief Executive Officer,

In our capacity as Statutory Auditors of Eurazeo and pursuant to your request, we have verified the financial information relating to Eurazeo's Net Asset Value (hereinafter "Net Asset Value") as of December 31, 2016 (hereinafter the "Information") given in the 2016 Management Report (hereinafter the "Management Report") and prepared in accordance with the International Private Equity Valuation Guidelines.

The Net Asset Value has been prepared under the responsibility of Eurazeo's Executive Board based on the accounting records of Eurazeo and of the fully consolidated subsidiaries, as well as on available market data as of December 31, 2016. The method of calculation of the Net Asset Value and the assumptions adopted are described in Section 1.6.2 of the 2016 Registration Document.

Our role is to comment as to whether:

- the Information used for the calculation of the Net Asset Value is consistent with the accounting records; and
- the preparation of the Information complies in all material respects with the methodology described in Section 1.6.2 of the 2016 Registration Document.

We are not however required to call into question the methodology, the assumptions used and the judgments made by Eurazeo's management to determine the fair values of its investments in unlisted companies. Nor are we required to comment on the compliance of this methodology with a set of standards or best practices, or to comment on the values thus determined for each investment within the context of the Net Asset Value.

In our capacity as Statutory Auditors, we have audited the annual and consolidated financial statements of Eurazeo for the year ended December 31, 2016.

The purpose of our audit, performed in accordance with the professional standards applicable in France, was to express an opinion on the parent company and consolidated financial statements taken as a whole, and not on specific elements of these financial statements used for the calculation of the Net Asset Value. Consequently, we did not perform our audit tests and sample testing with this aim and we do not express any opinion on these elements taken separately.

We performed our work in accordance with the professional standards applicable in France. For the purposes of this report, our work consisted in:

- familiarizing ourselves with the procedures set up by your Company to produce the Information relating to the Net Asset Value;
- comparing the methods applied to calculate the Net Asset Value with those described in Section 1.6.2 of the 2016 Registration Document;
- verifying the consistency of the accounting net assets of Eurazeo and its subsidiaries holding the investments used to calculate the Net Asset Value with the annual financial statements of Eurazeo for the year ended December 31, 2016;
- verifying the consistency of the accounting information used to calculate the Net Asset Value with the elements used as a basis for preparing the consolidated financial statements of Eurazeo for the year ended December 31, 2016, notably:
  - in situations where the fair value has been determined by applying multiples to aggregates taken from the accounting records or provisional accounts of investments, verifying the consistency of these aggregates with the accounting records or the provisional accounts of investments,
  - in situations where the fair value has been determined by applying multiples to aggregates taken from the accounting records and adjusted for non-recurring items, verifying the consistency of these aggregates with the accounting records before these adjustments are taken into account,
  - in situations where fair value has been determined by applying multiples to aggregates taken from forecast accounts of investments, reconciling these forecast aggregates with items used by Eurazeo for impairments tests in preparing the consolidated financial statements,
  - in situations where debt items have been used to calculate the fair value of unlisted investments, verifying the consistency of the debt items with the accounting records, except when prospective items have been used;
- verifying the consistency of the share price used to calculate the fair value of listed investments with observable data;
- verifying the arithmetical accuracy of the calculations after application of rounding rules, if necessary.

Based on our work, we have no matters to report on the consistency of the accounting information used in the calculation of Eurazeo's Net Asset Value with the accounting records and on the compliance of their calculation with the methodology described in Section 1.6.2 of the 2016 Registration Document.

This statement has been prepared for your attention in the context described above and must not be used, distributed or referred to for any other purpose.

The work performed in the framework of this statement is not designed to replace the inquiries and other procedures that third parties with knowledge of this statement may need to perform and we express no opinion as to the adequacy of our work for the purposes of such third parties.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars	
Pierre Clavié	Guillaume Potel	Émilie Loréal

CROSSING OF OWNERSHIP THRESHOLDS

Pursuant to Article L. 233-6 of the French Commercial Code, the Executive Board's report submitted to the Shareholders' Meeting must disclose (i) any acquisition of an interest in a French company during the year, representing more than one-twentieth, one-tenth, one-fifth, one-third or one-half of the share capital of the company concerned, and (ii) the acquisition of any controlling interest in such a company.

In 2016, Eurazeo formed the companies Legendre Holding 48 (renamed Novacap Group Bidco), Legendre Holding 49 (renamed CPK), Legendre Holding 50 (renamed Novacap Group Holding), Legendre Holding 51, Legendre Holding 52 (renamed LH Novacap), Legendre Holding 53 (renamed LH CPK), Legendre Holding 54 (renamed Grandir Alpha Oscar) and Legendre Holding 55 (renamed Grandir Alpha Papa) (companied held 100% when incorporated).

On March 29, 2016, Eurazeo acquired an investment in Les Petits Chaperons Rouges, in which it owns 30.71% of the share capital as of December 31, 2016, through its subsidiary Legendre Holding 47 (74.68% direct interest as of December 31, 2016).

On June 22, 2016, Eurazeo acquired an investment in Novacap, in which it owns 49.4% of the share capital as of December 31, 2016, through its subsidiary LH Novacap (67.8% direct interest as of December 31, 2016).

Eurazeo PME, as the management company of the midcap investment funds Eurazeo PME IIA and Eurazeo PME IIB, performed the following acquisitions:

- MK Direct on May 3, 2016, in which Eurazeo PME Capital indirectly holds 54.3% [1] of the share capital as of December 31, 2016;
- Orolia on May 13, 2016, in which Eurazeo PME Capital indirectly holds 51.9% [1] of the share capital as of December 31, 2016;
- AssurCopro on September 29, 2016, in which Eurazeo PME Capital indirectly holds 49.7% [1] of the share capital as of December 31, 2016.

SUBSEQUENT EVENTS

Fonroche: spin-off of the businesses into two separate groups

On February 2, 2017, the shareholders of Fonroche proceeded with the spin-off of the geothermal and biogas activities, retained by the founders, and the solar activities, now independent and controlled by Infravia Capital Partners and Eurazeo.

Infravia Capital Partners is an investment manager dedicated to the infrastructure sector, specifically energy. Fonroche Solaire will be fully committed to the high-potential market of photovoltaic solar energies. With Thierry Carcel remaining on board as CEO, the new entity will accelerate its growth by setting up solar power plants in France and internationally, similar to the one it owns in Humacao, Puerto Rico.

To date, Fonroche Solaire's business represents a fleet of power plants with a capacity of 230 MW in France and abroad, including 110 MW in owned capacity. Fonroche also obtained an additional 88 MW, including 63 MW in owned capacity and under development, as part of the CRE III call for tenders organized by the French Energy Regulatory Commission. In 2016, Fonroche generated revenue of around €100 million in the solar sector.

At Eurazeo, the company previously supported by Eurazeo Croissance will henceforth be guided by Eurazeo Patrimoine, the division mainly specialized in investing in real asset companies.

Syndication of Eurazeo Patrimoine's investment in Grape Hospitality

In January and February 2017, Eurazeo Patrimoine syndicated a minority share of its investment in Grape Hospitality with the France Investissement Tourisme fund of BPI France and the Belgian company François-Charles Oberthur International for a total amount of €10 million.

Following this syndication and that carried out at the end of 2016 for €26 million, the Eurazeo investment in Grape Hospitality now stands at 55% of the share capital.

Eurazeo boosts its investment in Vestiaire Collective

Via Eurazeo Croissance and new fundraising of €58 million, Eurazeo invested a further €12.5 million in Vestiaire Collective, the leader in top-of-the-range and pre-owned luxury clothes and accessories.

A shareholder since September 2015, Eurazeo Croissance is extending its support of Vestiaire Collective, bringing its total investment in the company to €32.5 million. The funds raised will allow Vestiaire Collective to accelerate its growth in Europe and the United States and expand its geographical coverage to new markets such as Asia, thus consolidating its global leadership.

(1) Percentage control.

Participation in the Elis capital increase

On February 13, 2017, Elis carried out a capital increase of €325 million in which Eurazeo, *via* its holding company Legendre Holding 27, and Crédit Agricole Assurances each participated in the amount of their percentage shareholding (€45.5 million invested by Eurazeo) and pledged to retain their shares for a period of 90 calendar days following the transaction.

2009-2011 co-investment contract/Investco 5 Bingen

Pursuant to the offer to buy back shares proposed by Eurazeo to facilitate the unwinding of the 2009-2011 co-investment program, Eurazeo purchased 962,944 additional shares from certain shareholders over the period January 1 to January 13, 2017. Following these transactions, Eurazeo holds 3,971,495 shares, presenting 97.12% of the share capital of Investco 5 Bingen.

On February 15, 2017, Eurazeo informed Investco 5 Bingen that it had valued the portfolio at €1,083,332,646.43, in accordance with the provisions of Article 6.1 of the investment contract. Based on this valuation, a total upside payment of €112,286,073.36 was paid in respect of the call options exercised by Investco 5 Bingen.

In order to return this income to shareholders, the Investco 5 Bingen partners proposed the distribution of (i) an interim dividend of €26.45 per share and (ii) a contribution repayment of €0.95 per share. Eurazeo therefore received a total amount of €108,818,963.00 on February 16, 2017.

OUTLOOK

Following the agreements signed in 2016, Eurazeo wishes to finalize the transaction launched with Mondelez for the acquisition of a portfolio of chocolate and confectionery brands in the first-half of 2017. Eurazeo also wishes to continue growing all its investment divisions in 2017, particularly through the expansion of our activities in the United States. We will continue our active investment policy in Europe. The new Eurazeo PME III fundraising will allow us to further expand our third-party fund management business. Finally, Eurazeo will continue to develop its portfolio through accompanying group companies and continued asset rotation.

2

EURAZEO'S CORPORATE SOCIAL RESPONSABILITY

2.1 CSR IN THE INVESTMENT POLICY

2.1.1 RESPONSIBLE INVESTMENT STRATEGY

Eurazeo supports its investments in the long term and encourages them to act responsibly in the interest of all stakeholders. Since 2008, Eurazeo has been formalizing and increasing its commitment to Corporate Social Responsibility (CSR) by incorporating environmental, social and governance (ESG) criteria into its activity as an investor.

The role of a responsible shareholder is to help reveal the full potential for value creation of each investment by contributing the time and resources necessary for its transformation, without neglecting broader economic development, social progress, reduced environmental impacts and balanced governance.

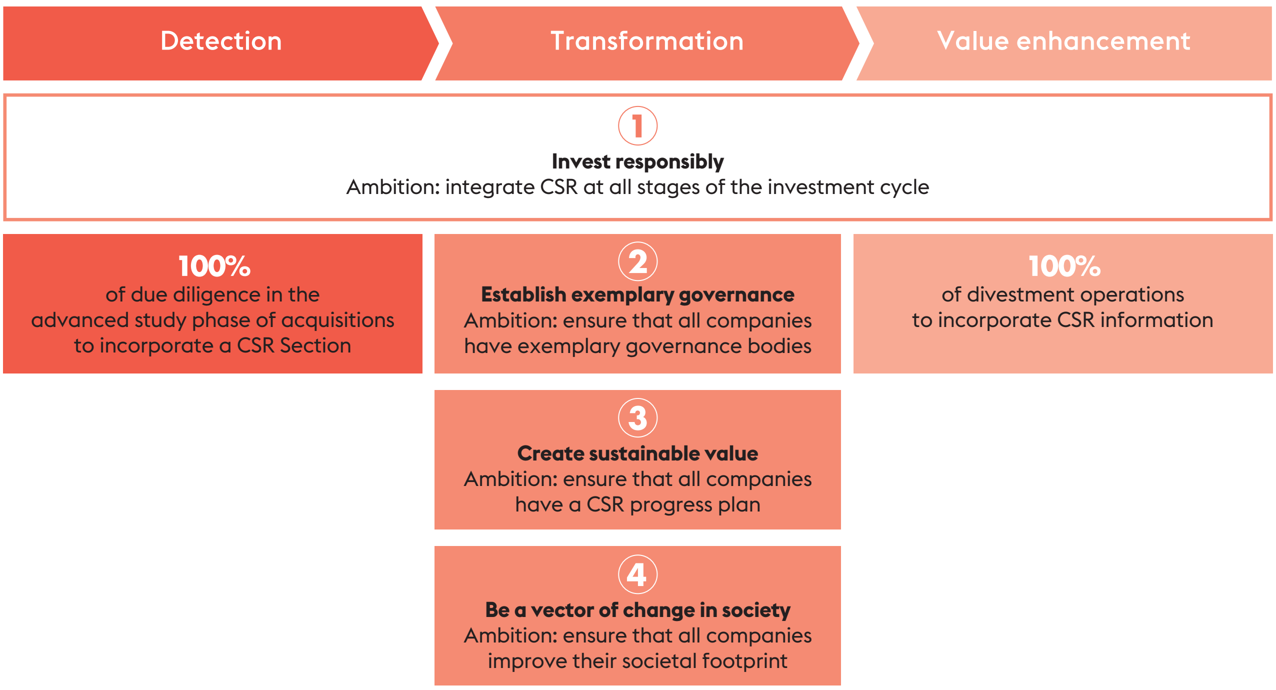
In an increasingly complex and demanding environment, Eurazeo continues to roll out its CSR commitment, adopting a practical approach focused on continuous improvement that extends well beyond the sale of its investments. Eurazeo's CSR strategy includes 2020 goals aimed at targeting and measuring the key actions it implements (see Eurazeo's CSR strategy in part 1 of this document, p. 82).

The scope referred to in respect of the CSR strategy includes Eurazeo SA and all fully consolidated and equity-accounted companies no later than from the end of the second full year of ownership.

The CSR strategy is integrated at each stage of the investment cycle:

- during the phase of identification of investment opportunities, which consists in assessing a company's growth potential, Eurazeo is committed to performing CSR due diligence on 100% of prospective acquisitions undergoing advanced review;
- during the acceleration phase, which consists in leveraging all growth drivers, Eurazeo encourages companies to set up exemplary governance bodies, to create sustainable value and to be a vehicle for change in society;
- during the divestment phase, which consists in materializing the value created, Eurazeo measures the CSR performance of companies *via* vendor CSR due diligence on 100% of divestments.

Affirming its ambition to integrate CSR challenges throughout the investment cycle, Eurazeo is involved in several established organizations and is committed to recognized initiatives such as the Principles for Responsible Investment (PRI), the Global Compact, the French Association of Investors for Growth (AFIC), and the Women's Forum for the Economy and Society. Moreover, in partnership with four other private equity companies, Eurazeo was behind Initiative Carbon 2020 (iC20), the first initiative taken by private equity investors to manage and reduce the greenhouse gas emissions of their portfolio companies.



2.1.2 CRITERIA EXAMINED AND INFORMATION USED

Criteria examined

Eurazeo's objective is for each due diligence process to yield a comprehensive vision of the target's CSR challenges, risks and opportunities. To this end, Eurazeo has developed an approach built on the following dimensions: environment, social, societal, supply chain, ethics and governance.

The list of criteria examined derives from a cross-cutting analysis of several recognized French and international standards:

- the Principles for Responsible Investment (PRI);
- Article 225 of the Grenelle II law;
- the Global Reporting Initiative;
- the work of the AFIC ESG Commission;
- the 10 principles of the United Nations Global Compact;
- the United Nations Sustainable Development Goals;
- the CDP's climate change questionnaire;
- the Materiality Map of the Sustainability Accounting Standards Boards.

Criteria and issues examined evaluation matrix

Social	Environment	Societal	Ethics and governance
Employment workforce, variations, turnover and compensation	**General policy** approach, awareness raising/training, risk prevention, provisions and guarantees	**Territorial, economic and social impact** employment, local development	**Fair trade practices** ethics, anti-corruption
Organization of work working time and absenteeism	**Pollution** prevention, reduction, repair of discharges – air, water, soil, nuisances	**Relations with stakeholders** expectations, dialogue, partnership	**Health and safety of consumers and users** quality, communication, transparency
Labor relations organization of social dialogue and collective agreements	**Circular economy** waste management, food waste, use of resources: water, energy, raw materials	**Corporate philanthropy,** donations to associations	**Human rights** actions undertaken
Health and safety working conditions, health insurance, workplace accidents	**Protection of biodiversity** measures to assess impact, develop, protect	Supply chain	**Gender equality and independence** of the Supervisory Board (SB)
Training policy, hours delivered	Climate	**Suppliers and subcontractors** procurement policy and subcontracting	**Committees** of the Supervisory Board
Equal treatment gender equality, fight against discrimination	**Emissions** significant sources of greenhouse gas emissions	**Social and environmental impacts** related to the supply chain	**Risk management** and internal control tools
ILO Conventions freedom of association, discrimination, forced labor and child labor	**Adaptation to climate change** physical and transition risks, resilience of the business	**Raw materials** and depletion of resources	**Crisis management**, e-reputation

Analyses performed

In carrying out this analysis, all available or prepared documents are reviewed:

- available documents can be internal documents made available by the target company (investment memorandum, reports, legal, social, strategic and CSR due diligence, existing CSR reporting, insurance reports, site audit reports) or public documents (website, reports). Analysis of the competitive environment is also performed in order to fine-tune the identification of the target's sector-specific issues, risks and opportunities;
- constructed documents are the result of interviews with the management of the target company as well as with various experts, using a standard questionnaire. Lastly, where the target company has an industrial activity involving production sites, site audits are carried out during the due diligence phase in order to assess the sites' regulatory compliance and the challenges related to air, soil and water emissions, discharges and pollution.

The objective is to create a matrix that allows for the assessment of:

- risks, strengths and prospective opportunities;
- the resilience of the business, the business model, the industrial model in a transition to a low-carbon economy;

- the maturity of the target and its positioning in relation to its sector and in view of the expectations of its stakeholders on all CSR issues.

Before each investment, a materiality analysis is carried out in order to determine the priority challenges and issues for each company. To this end, Eurazeo uses the Sustainability Accounting Standards Boards (SASB) tool to identify, by sector, the substantial challenges indicated in this document as material.

In addition, Eurazeo has a risk matrix developed jointly with its Risk Management and Legal Departments, which serves to identify the main points requiring vigilance when reviewing investment targets, with two levels of importance:

- priority issues to be investigated;
- other points requiring vigilance.

Risks and opportunities related to climate change

Climate change risk is part of this matrix; it is analyzed for all prospective investments reviewed. Specific due diligence can be carried out in order to determine the extent of the Company's exposure to physical risks (impacts related to risk of flooding for instance), as well as to transition risks (review of financial impacts related to change in the carbon trading mechanism for instance).

Action plans are then drawn up during the ownership phase in order to determine the issue's materiality. The following criteria are examined:

- direct physical risks with impact in the short term (*e.g.* flooding causing damage and the interruption of operations) or the longer term (sustainability, quality of access to and supply of critical resources such as raw materials, water or energy, displacement of the activity linked to the rise of the sea level, etc.);

  By way of illustration, potential impacts may have an impact on production, employee health and safety, operating expenses or insurance;
- transition risks: the Company's ability to adapt to the impact of climate change based on the resilience of:
  - → its activity through a review of supply chains, expectations and perceptions of consumers and other stakeholders, and regulatory developments which, if not sufficiently anticipated, may have implications for the Company's ability to adapt or communicate, etc.,
  - → its business model, notably in the event of a change in energy source or a strengthening of the emissions trading market, price changes, etc.,
  - → its industrial model, for example in the event of a change in energy source, or in the event of a loss of competitiveness resulting from a technological change in the production or distribution process, or in the product or service itself.

Efforts to adapt to climate change are also examined because they can provide opportunities, such as:

- energy performance, which can generate direct financial gains through savings across production and/or distribution processes;
- use of renewable or low-emission energy sources, which contribute to the energy transition;
- the competitiveness of products and services with a reduced carbon footprint, as well as the diversification of supply and services through a low-carbon economy;
- the sustainability of a model throughout the supply chain.

Depending on the availability of information during the identification phase, full analysis of the financial impact of these risks and opportunities is carried out.

The contribution to the limitation of climate change is also examined by analyzing management's commitment to the issue, as well as the actions already in place at the time of the identification phase.

During the ownership phase, accurate monitoring of change in carbon emissions is performed as part of annual CSR reporting. Eurazeo also assists companies in drawing up an emissions reduction plan with quantified targets.

2.1.3 METHODOLOGY, INTEGRATION AND RESULTS OF THE ANALYSIS

1. Collection of information

The first phase, consisting in finding and gathering information, is carried out during the identification phase. This phase includes documentary research based on reports, sector and thematic benchmarks and press articles on the sector of activity and on competitors. The gathering of available information of this nature serves, for instance, to identify potential issues with respect to the Company's reputation, but also more generally that of its sector, and its peers and comparables.

Available information (public, made available by the target company or constructed) is analyzed.

Finally, more in-depth research is carried out, notably in the form of interviews with experts and managers, due diligence conducted by external firms, and site audits to complement and fine-tune the information and issues identified.

2. Analysis and perspective

The careful appraisal of a target acquisition in respect of environmental, social, societal, governance and supply chain issues can help improve the understanding of the risks and opportunities, thereby increasing the ability to forge strong convictions in the selection of investments.

The objective is therefore to analyze the target company from three angles:

- the performance of the target company itself;
- the positioning of the Company in relation to its business sector;
- the stakeholder perspective.

This analysis therefore serves to establish a list of material issues to be investigated within the framework of the investment decision and then within the framework of the preparation of the post-acquisition action plan.

In addition, projections are made to measure the target company's potential exposure to risks or opportunities. These studies are systematically carried out on the issue of climate change when the challenge is material for the Company.

By way of example, in 2016, a special study was conducted on a prospective investment covering the financial impact of regulatory changes to the European quota trading system up to 2030.

Also in 2016, studies of exposure to climate change risks were carried out during the review of prospective investments based on accepted indices on the risks of flooding, access to water and energy, as well as seismic risk.

Eurazeo's objective is that 100% of due diligence in the advanced study phase of acquisitions will incorporate a CSR section by 2020.

3. Restitution to stakeholders

Following the performance of CSR analyses coordinated by Eurazeo's CSR Department, restitution is scheduled first of all with the investment team in charge of the review of the target company.

One of its main purposes is to specify the points to be investigated during internal or external due diligence and/or following the acquisition.

This summary is discussed during the presentation of the target to the Investment Committee.

4. Monitoring and rollout of action plans

During the acceleration phase, an action plan is drawn up with the Company. It is prepared on the basis of the material issues identified during the identification phase, and includes the seven essential commitments underpinning Eurazeo's CSR strategy. These essential commitments are to:

- appoint a CSR manager;
- establish annual CSR reporting;
- create an operational CSR committee;
- include CSR issues on the agenda of Board meetings at least once a year;
- conduct an environmental and/or greenhouse gas assessment every three years;
- perform a social barometer every three years;
- conduct CSR audits of priority suppliers.

The "7 essentials" incorporate an annual CSR reporting of 160 indicators covering all environmental, social, societal, supply chain and governance issues. Seventeen of these indicators are dedicated to energy and climate issues, such as the measurement of CO_2 emissions on the three scopes and the ratio of carbon emissions to EBITDA. This indicator facilitates the annual monitoring of the improvement of the portfolio's carbon footprint from one year to the next. Five companies lowered their ratio in 2016. The results relating to the measurement of the greenhouse gas emissions of the portfolio companies are set out in Section 2.4.4, p. 138 in accordance with the Grenelle II law to which Eurazeo is subject.

Eurazeo's objective is that 100% of the portfolio companies will perform CSR reporting by 2020 [1].

Setting CSR progress targets is also part of the seven essentials. These objectives must include at least a carbon, a social, a supply chain and a governance objective.

At the end of 2016, several companies had quantified CSR targets including a specific commitment on carbon. Examples:

- AccorHotels: 100% of new builds and renovations to be low-carbon by 2020 (owned hotels) and 5% reduction in energy consumption per room by 2018 (owned and managed hotels);
- ANF Immobilier: 10% reduction in final energy consumption per square meter rented by 2020 compared with 2015;
- Elis: 25% reduction in energy consumption by 2020;
- Vignal Lighting Group: 15% reduction in CO_2 emissions between 2015 and 2020 [1].

Eurazeo's objective is that 100% of portfolio companies will have set quantified CSR targets by 2020.

This objective is part of action plans designed in a process of continuous improvement with perspectives reaching beyond Eurazeo's investment horizon.

On certain issues such as the climate, commitments and action plans need to take a long-term – and even a very long-term – perspective. Eurazeo is currently assisting some of its investments in establishing carbon trajectories to 2030 or even 2050, based notably on the methodology provided by the Science Based Targets initiative.

To monitor the deployment of specific action plans for each company, Eurazeo organizes at least three meetings per year with each of its investments, and ensures that CSR is placed on the agenda of the Supervisory Board and/or Audit Committee at least once a year.

5. Value enhancement

During the value enhancement phase, a complete new overview is carried out on all the criteria in order to measure progress since the acquisition by Eurazeo. Depending on the materiality of the issue, climate change and carbon risk may also be the focus of a specific review in order to clarify any risks or opportunities beyond Eurazeo's investment horizon.

Specific issues related to climate change can also be examined as part of the divestment process. In early 2017, for instance, Eurazeo carried out a study on the sustainability and potential changes in a company's supply of raw materials in relation to climate change.

Eurazeo's objective is that 100% of divestments will be subject to CSR information by 2020.

(1) Taking companies into account from the end of the second full year of ownership at the latest.

Chart of the CSR strategy deployment

The findings of the research and analysis carried out during the identification phase are integrated at all stages of the investment cycle:

- during the detection phase: inclusion of the findings in the presentations to the internal Investment Committee;
- throughout the transformation phase: regular meetings with investment teams, the Company's CSR manager and Company management to define and deploy a risk mitigation and opportunity identification plan. By way of example, 95 meetings were held with investments in 2016;
- during the value enhancement phase: presentation of progress and the valuation of environmental, social and financial impacts avoided by the Company since its acquisition by Eurazeo.

Identification phase

Upstream
(100% of projects)

- Initial identification of the CSR challenges facing the target company and its sector by the CSR Department (benchmark, reputation, material challenges etc.)

→ **First summary discussed during presentation to the investment committee, including a list of potential alerts and favorable or unfavorable positioning from a CSR perspective**

Phase 1
(100% of projects with an offer)

- Validation of the analyses and additional work to be carried out in the subsequent phase
- Identification of experts and consulting firms to be called on, and validation of the provisional budget

→ **Integration in the LOI (letter of interest): commitment on Eurazeo's CSR strategy and performance of CSR reporting**

Phase 2
(100% of projects in the advanced study phase)

- Performance of CSR due diligence and specific analyses on CSR issues identified (by the CSR Department and/or an external firm)

→ **Integration in the shareholders' agreement: commitment on Eurazeo's CSR strategy and performance of CSR reporting**

Transformation phase

Year 1

Deployment of the 7 essentials:

- Appointment of a CSR manager
- Creation of an operational CSR Committee
- Establishment of (trial) CSR reporting
- Drafting of a CSR progress plan based on the challenges identified during the identification phase
- Formal establishment of an Audit Committee of the Board
- Presentation of CSR challenges to employees (for each company) and awareness raising on the relevant issues

→ **Implementation of a minimum of three follow-up meetings per year between the CSR Department and the company's CSR Manager**

Year 2

Continued deployment of the 7 essentials:

- Inclusion of CSR issues on the Supervisory Board's agenda
- Completion of a carbon/environmental footprint survey and a social barometer (spanning years 2 and 3)
- Implementation of a responsible procurement approach
- Participation in the annual CSR reporting (audit by a third party possible)
- Update of the CSR progress plan
- Formal establishment of a Compensation Committee of the Board

→ **Continuation of three follow-up meetings**

→ **Annual meeting to present the reporting results with the company's management and Eurazeo's investments teams**

→ **Inclusion of CSR on the agenda of the Supervisory Board**

Year 3 and beyond

Continued reinforcement of actions undertaken

- Drafting of a CSR progress plan with quantified targets (including one target for reducing greenhouse gas emissions)
- Measurement of impacts avoided on social (absenteeism) and environmental (water, energy, carbon) aspects

→ **Continuation of three follow-up meetings**

→ **Annual meeting to present the reporting results with the company's management and Eurazeo's investments teams**

→ **Inclusion of CSR on the agenda of the Supervisory Board**

Value-enhancement phase

Divestment

- Performance of vendor CSR due diligence and specific analyses (by the CSR Department or an external firm) with a valuation of the impacts avoided since the acquisition

→ **Inclusion in the Information Memorandum as well as the dataroom**

2.2 PROGRESS AND HIGHLIGHTS OF THE YEAR

2.2.1 CSR STRATEGY: 2016 RESULTS

For Eurazeo, Corporate Social Responsibility (CSR) creates value for portfolio companies and participates fully in companies' transformation and sustainable growth. Eurazeo's commitments embody this ambition aimed at combining value enhancement and responsibility throughout the investment cycle.

To achieve its goals, Eurazeo has formulated a four-part CSR strategy, with quantitative targets for 2020 in each area. It is important to note that changes in the portfolio have a significant impact on results and make trend analysis impossible. In 2016, three companies were removed from the reportng scope and four companies were included for the first time.

9

→ Details relating to this section

The scope referred to in respect of the CSR strategy includes Eurazeo SA and all fully consolidated and equity-accounted companies. These companies are included in the calculation of indicators no later than the end of the second full year of ownership. The first full year of ownership determines when necessary a baseline derived from initial CSR reporting, from which subsequent variations are measured.

The companies reviewed in respect of Eurazeo's CSR strategy in 2016 are as follows (those with an asterisk are part of the regulatory reporting scope under the Grenelle II law): **ANF Immobilier *, Asmodee *, CIFA *, Groupe Colisée *, Desigual, Dessange International *, Elis, Eurazeo PME *, Eurazeo SA *, Europcar, Groupe Flash *, Fintrax *, Fonroche, Léon de Bruxelles *, Neovia, Péters Surgical * and Vignal Lighting Group ***.

Invest responsibly

Ambition: integrate CSR at all stages of the investment cycle

	2015	2016
2020 objectives		
100% of due diligence in the advanced study phase of acquisitions to incorporate a CSR section [(1)]	**53%**	**70%**
100% of portfolio companies to perform CSR reporting	**100%**	**100%**
100% of divestment operations to incorporate CSR information	**100%**	**100%**
2016 monitoring indicators		
% of acquisitions that included CSR due diligence	64%	63%
Number of non-financial indicators monitored	158	160
Number of companies performing CSR reporting [(2)]	16	17
Number of CSR workshops held with subsidiaries	75	95
Number of CSR awareness-raising seminars held with subsidiaries	2	3
Average length for which companies are held [(3)]	7 years	6 years

Methodological details: see Section 2.6 Methodology, p. 145.

(1) Due diligence is deemed to be in the advanced study phase when legal due diligence has been performed. The indicator covers all companies reviewed, including those that were not ultimately acquired.

(2) Seventeen companies perform CSR reporting, 12 of which are part of the reporting scope defined by the Grenelle II law for Eurazeo.

(3) Average time companies in the portfolio at the end of 2016 have been held.

Establish exemplary governance

Ambition: ensure that all companies have exemplary governance bodies

	2015	2016
2020 objectives		
100% of companies to have at least 40% women directors on the Board [1] [2]	**13%**	**6%**
100% of controlled companies to have at least 30% independent Directors on the Board [1]	**50%**	**45%**
100% of companies to have an Audit Committee and a Compensation Committee [3]	**63%**	**69%**
2016 monitoring indicators		
Average percentage of independent Directors	32%	30%
Average percentage of women on Boards	26%	23%
Average term of office of members of Boards	4 years	4 years
Average annual number of Board meetings	7	7
Average annual attendance at Board meetings	86%	84%
Percentage of companies with separate executive and supervisory bodies	81%	88%

Methodological details: see Section 2.6 Methodology, p. 145.
(1) On Supervisory Boards (SB) or Boards of Directors (BD). Independence within the meaning of the AFEP-MEDEF recommendations.
(2) Women account for more than 30% of directors in seven companies, between 10% and 30% in six companies and less than 10% in just two companies.
(3) Committees assisting the SB or BD in the decision-making process.

Create sustainable value

Ambition: ensure that all companies have a CSR progress plan

To facilitate the implementation of a pragmatic and value-creating CSR approach, Eurazeo has laid down a CSR roadmap made available to all of its investments. Its aim is to see it deployed by all of them by 2020.

The roadmap has three major objectives for 2020:

- provide a solid CSR base: 100% of portfolio companies to have deployed Eurazeo's 7 "CSR essentials";
- identify the challenges and opportunities of sustainable performance: 100% of portfolio companies to have quantified CSR progress targets;
- accelerate and maintain sustainable value creation: 100% of portfolio companies to be involved in at least one CSR acceleration program.

	2015	2016
2020 objective		
100% of portfolio companies to have deployed Eurazeo's "CSR essentials" [1]	**66%**	**67%**
The 7 "CSR essentials" [2][3]		
Appoint a CSR manager	13/16	13/16
Establish annual CSR reporting	16/16	17/17
Create an operational CSR committee	13/16	12/16
Include CSR issues on the agenda of Board meetings at least once a year	11/16	10/16
Conduct an environmental and/or greenhouse gas assessment every three years	7/16	9/17
Perform a social barometer every three years	9/16	10/16
Conduct CSR audits of priority suppliers	5/16	6/17
2020 objective		
100% of portfolio companies to have quantified CSR progress targets	**31%**	**35%**
Number of portfolio companies with quantified CSR progress targets	5/16	6/17
2020 objective		
100% of portfolio companies to be involved in at least one CSR acceleration program [4]	**75%**	**82%**
Number of companies involved in at least one CSR acceleration program	12/16	14/17

Methodological details: see Section 2.6 Methodology, p. 145.
(1) The result is expressed as mean percentage of actions implemented by companies.
(2) The results are expressed in number of companies.
(3) Social and governance indicators are not applicable to CIFA.
(4) Eurazeo has three CSR acceleration programs: environmental footprint, gender equality and responsible purchasing. Environmental footprint (or life-cycle assessment, LCA) is a measurement of energy consumption, raw material use and discharges into the environment, as well as potential environmental impacts associated with a product, process or service over its entire life cycle (ISO 14040 definition).

Be a vector of change in society

Ambition: ensure that all companies improve their societal footprint

	2015	2016
2020 objective		
100% of portfolio companies to improve the protection and well-being of employees	**56%**	**69%**
Calculation of indicators		
Number of companies at which 100% of employees have access to social insurance [(1) (2)]	8/16	7/16
Or		
Number of companies that have reduced the number of days of absence [(3)]	7/16	7/13
2020 objective		
100% of portfolio companies to share value created or Company profits with employees	**56%**	**63%**
Calculation of indicators		
Number of portfolio companies with employee shareholders [(2) (4)]	4/16	7/16
Or		
Number of portfolio companies to have implemented a profit-sharing scheme [(2) (5)]	9/16	9/16
2020 objective		
100% of portfolio companies to reduce their environmental impact	**75%**	**77%**
Calculation of indicators		
Number of portfolio companies to have decreased their carbon emissions as a proportion of EBITDA[(3)]	8/16	5/13
Or		
Number of portfolio companies to have decreased their water consumption as a proportion of EBITDA[(3)]	7/16	8/13
Or		
Number of portfolio companies to have increased their recycling rates[(3)]	7/16	4/13

Methodological details: see Section 2.6 Methodology, p. 145.
(1) Health and/or disability insurance and/or retirement plan.
(2) Social and governance indicators are not applicable to CIFA.
(3) CIFA, Groupe Flash, Fintrax and Neovia being in their first reporting year, their data are not taken into account in these indicators.
(4) Excluding management team.
(5) Establishment of an incentive scheme or collective bonus (outside legal obligations).

2.2.2 HIGHLIGHTS OF THE YEAR

Initiative Carbon 2020: an expanding commitment

In partnership with four other private equity companies, Eurazeo launched the "Initiative Carbon 2020" (iC20) in November 2015. iC20 is the first long-term approach allowing private equity investors to manage and reduce the greenhouse gas emissions of their portfolio companies. It is also the first collective commitment by the French private equity industry in favor of the responsible and transparent management of greenhouse gas emissions by the companies of which they are shareholders. The iC20 signatories have pledged to take action to contribute to the COP21 objective of limiting global warming to 1.5°C. A publication of portfolio companies' carbon footprint (direct and indirect), in collaboration with their management teams, is scheduled for 2020, using methodology shared with all stakeholders in the sector wishing to get involved in the fight against climate change.

Sixteen private sectors firms have signed up to iC20 since its launch in November 2015.

Measuring avoided impacts: strengthening of the approach

As a long-term investor, Eurazeo first sought to value the impact of its actions on social and environmental issues in 2015. Its aim was to demonstrate that businesses can use CSR policies to leverage their performance and value creation. Eurazeo has accordingly decided to establish a methodology for assessing avoided impacts and determining the financial effects in partnership with a specialized firm.

Six companies participated in the first assessment, and three others joined the approach to measure avoided impacts: AccorHotels, Asmodee, Elis and Foncia (sold in 2016) for Eurazeo Capital, and Groupe Colisée, Dessange International, Léon de Bruxelles, Péters Surgical and Vignal Lighting Group for Eurazeo PME.

Four indicators were measured, three relating to environmental issues (water, energy, fuel), and a fourth bearing on the social aspect (absenteeism).

Avoided impacts are calculated on the scope of the Company (direct impacts), as well as beyond through the measurement of the environmental and economic benefits of specific initiatives that have an impact outside the Company's scope (indirect impacts).

Over the last six years, CSR programs implemented by the companies reviewed were able to avoid more than €196 million in expenditure, with direct savings totaling nearly €65 million. The companies also avoided the equivalent of 1,264,600 metric tons of CO_2 equivalent, almost 6 million cubic meters of water, 1,916 GWh of energy, 51,000 liters of fuel and 426,000 hours of absence.

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Investments	AccorHotels	Foncia	Elis	Asmodee
Indicators valued	Water, Energy	Energy, Fuel	Water, Energy, Fuel, Absenteeism	Water, Energy, Fuel, Absenteeism
Geographical scope	46 countries – 56% of owned and managed hotels in 2015	France – 77% of activity in 2015	France – 65% of activity in 2016	France – 25% of activity in 2016
Reference year	2011	2013	2011	2015
Year of acquisition	2005	2011	2007	2014

eurazeo pme

Investments	Colisée	Dessange	Vignal	Léon	Péters
Indicators valued	Water, Energy, Absenteeism	Water, Energy, Fuel, Absenteeism	Water, Energy, Fuel	Water, Energy, Fuel, Absenteeism	Water, Energy, Fuel, Absenteeism
Geographical scope	France – 92% of activity in 2016	France – 40% of activity in 2016	2 countries representing 100% of activity in 2016	France – 100% of activity in 2016	2 countries representing 81% of activity in 2016 ***
Reference year	2015	2011	2014 Environmental: France and United States Social: France	2009: Social 2011: Environmental**	2014
Year of acquisition	2014	2008	2014	2008	2013

* *Company sold In 2016*
** *For Léon de Bruxelles, the reference year is 2009 for social data, and 2011 for environmental data*
*** *For Péters Surgical, the scope has been confined to France for the social indicator*

Water Energy Fuel Absenteeism

Key points of the methodology

→ Scope and approach

The calculations were carried out over a period extending from the year of Eurazeo's investment until 2016 included (except for Foncia which was sold in 2016).

The indicators subject to impact calculations were defined depending on the existence of a progress approach within the Company, and in accordance with materiality, availability and data quality criteria for the relevant years.

→ Calculation methodology

Whenever possible, calculations were based on operational indicators (*e.g.* kWh per kg of laundry washed for Elis, liters per night for AccorHotels, or a ratio to the number of meals served for Léon de Bruxelles). In the absence of an operational indicator, the calculations were based on revenue. For each company, a reference year was determined, allowing the trend for each indicator (improvement or deterioration) to be measured. Progress was measured and aggregated each year in relation to the reference year.

More detail on the methodology is available on the Eurazeo website, under the heading Responsibility.

Summary of results

Impact	Equivalent		Valuation of avoided costs
Direct impacts			
426,000 hours of absence avoided	Equivalent of ~ 241 full-time employees	Reduction in absenteeism and workplace accidents	€k13,656
5.9 million cubic meters of water avoided	Equivalent to the consumption of ~ 72,000 EU residents	Reduction of water consumption	€k11,430
575 GWh of energy avoided	Equivalent to the consumption of ~ 22,000 EU residents	Reduction of energy consumption	€k40,096
328,000 liters of fuel avoided	Equivalent to ~ 116 times the circumference of the Earth by car	Reduction of fuel consumption	€k277
Or 136,600 t CO_2 eq. avoided			
		Total direct impacts	€k65,459
Indirect impacts			
ACCORHOTELS: 450,000 t CO_2 eq. avoided	5,040,000 trees planted through the Plan for the Planet program	Program promoting reuse of towels by guests	€k20,749
FONCIA**: 1,341 GWh of energy avoided	Concerns ~ 210,000 homes in the EU	Improved energy performance of buildings for the benefit of guests	€k110,468
Or 678,000 t CO_2 eq. avoided			
		Total indirect impacts	€k131,217
Sum of indirect + direct impacts			
426,000 hours of absence avoided; 1,916 GWh of energy avoided; 5,9 million cubic meters of water avoided; 328,000 liters of fuel avoided; 1 264,000 t CO_2 eq. avoided		*Total direct + indirect impacts*	€k196,676

* *Measured in 2014, over a 100-year reference period*
** *Company sold in 2016*

Indirect impacts

AccorHotels: Plant for the Planet

As part of the Plant for the Planet program, hotel guests of the AccorHotels group are encouraged to reuse their towels when staying more than one night. Plant for the Planet is a unique program in the hotel industry, based on the joint involvement of customers and hotel staff. Half of the money saved on laundry is donated to reforestation projects. In 2014, AccorHotels conducted an impact assessment of the Plant for the Planet program since its launch in 2009. It showed that the projects implemented to date will, over a reference period of 100 years, allow the sequestering of 450,000 metric tons of CO_2 equivalent.

Foncia: Energy efficiency work

The realization by Foncia of maintenance work aimed at improving the energy performance of buildings resulted in over 210,000 households enjoying total annual savings in excess of €26 million, over €110 million in four years, by avoiding the consumption of 1,341 GWh of energy.

In 2015, Foncia's efforts to negotiate the price of gas for its customers compounded this performance, bringing a further total savings of €10 million – cutting €177 off the annual energy bill of the 58,000 homes concerned.

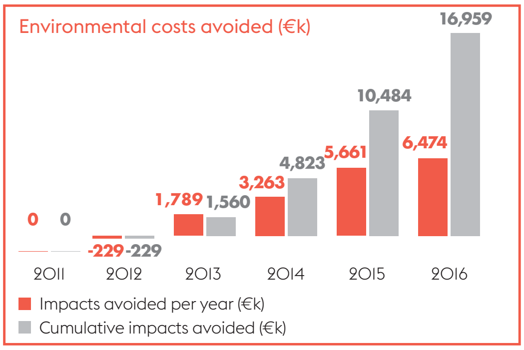
Close-up on the results of Elis and Léon de Bruxelles

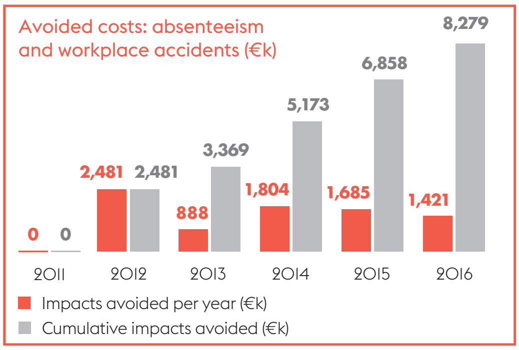
CSR initiatives resulted in significant environmental, social and economic gains for these two investments, as shown below:

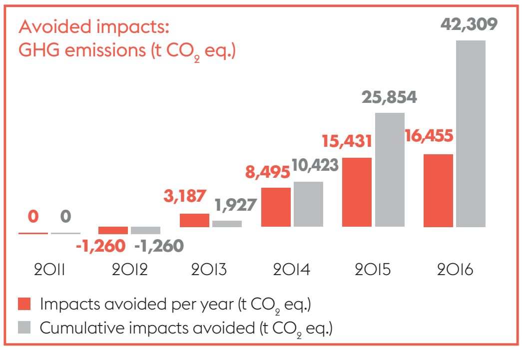
Since 2011, thanks to CSR initiatives

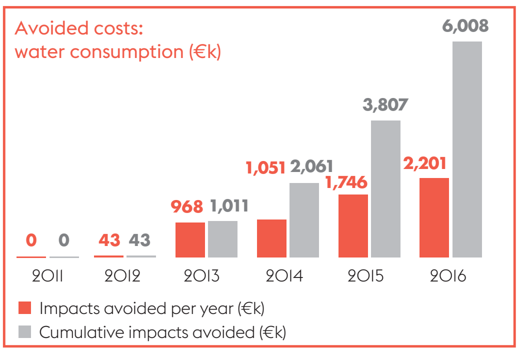
25.2 €M saved

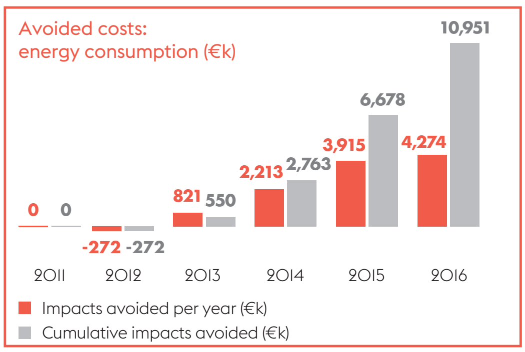
42 kt CO_2 eq of GHG emissions avoided







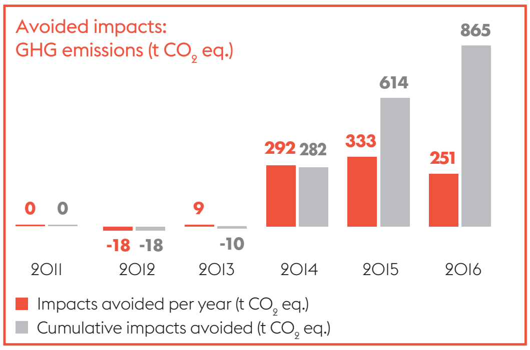


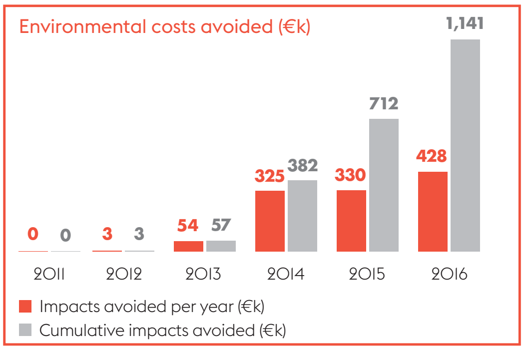


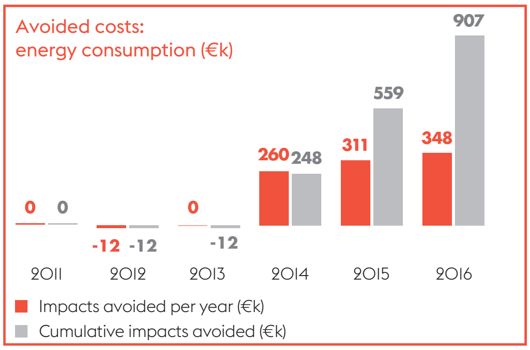
Since 2011, thanks to environmental initiatives

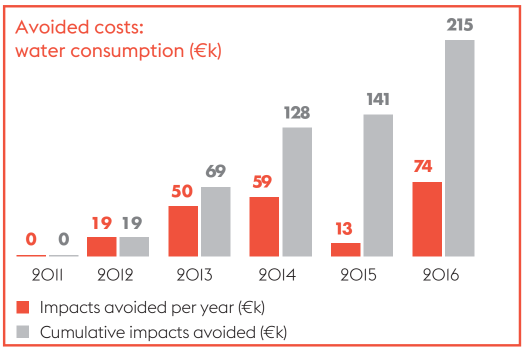
1.1 €M saved

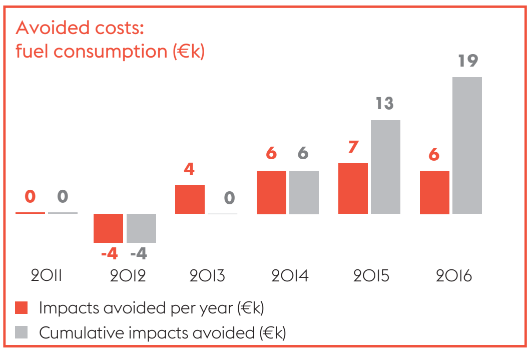
865 t CO_2 eq of GHG emissions avoided











Cross-mentoring program: a project for diversity

In the firm belief that diversity is factor of performance, Eurazeo launched an internal diversity network in 2014. Known as "Eurazeo Pluriels", its aim is to advance diversity at Eurazeo, in all of its portfolio companies and across its entire sphere of influence.

As part of this internal network, Eurazeo ushered in a new cross-generational, mixed and inter-company mentoring program in late 2016. The new initiative marks a fresh chapter in Eurazeo's continuing commitment to promoting diversity.

The program's objectives are primarily to support employees in their professional development, to allow them to share their experience with a skilled mentor who is not a superior and lastly to develop their professional network.

Its specificity is its inter-company approach. 15 of Eurazeo's portfolio companies, of all sizes and sectors, are involved in the process. The program aims wherever possible to establish male-female mentor-mentee pairs.

Further pursuit of the goal of exemplary energy efficiency

In 2014, Eurazeo created an internal working group known as "Eurazeo Exemplaire" bringing together Eurazeo and Eurazeo PME employees to propose and deploy actions within Eurazeo's own offices. Eurazeo's new office building, "Le Most", which it entered in early 2016, has earned the Exceptional rating under the High Environmental Quality (HQE) standard, Excellent status under the BREEAM (Building Research Establishment Environmental Assessment Method) standard and low energy consumption status (BBC). Other initiatives have been undertaken, such as measures to reduce paper consumption by making HR documents paperless and the use of centralized printers controlled by a badge, the installation of a water filtration solution to reduce the use of plastic water bottles, and the encouragement of low-emission means of transportation with the installation of charging stations for electric vehicles in the car park and the choice of green taxis.

In addition, the change of premises gave rise to environmental and charitable initiatives through the sale of a portion of used furniture to employees and the donation of the remaining furniture to the *Apprentis d'Auteuil*, a charity supported within Eurazeo's corporate sponsorship program.

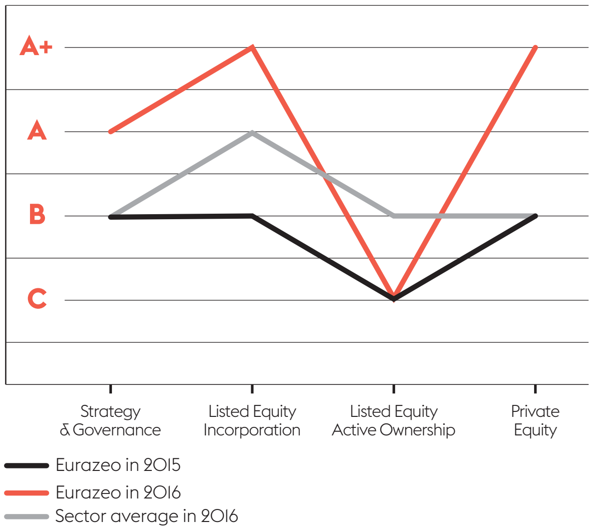
Commitments and recognitions

Eurazeo is currently included in two benchmark ESG indices: *Ethibel Sustainability Index* (ESI) *Excellence Europe* and *Euronext Vigeo Europe 120*. Eurazeo is currently the only private equity company represented in these indices, alongside major companies at the cutting edge of CSR issues.

Moreover, Eurazeo has renewed its commitment to the United Nations Global Compact, thereby confirming its "advanced" status. It has also responded for the first time to the CDP questionnaire, a sign of its commitment to transparency in integrating CSR into its strategy, particularly in respect of climate change risk.

Eurazeo signed the Principles for Responsible Investment (PRI) of the United Nations in 2011, thereby confirming its goal of factoring non-financial criteria into its management, investment strategy and portfolio of companies.

Evolution of Eurazeo's PRI rating



Eurazeo is also heavily involved in promoting CSR within the private equity industry. Olivier Millet, Chairman of the Executive Board of Eurazeo PME, contributed to the creation of the ESG Commission (Environment, Social, Governance) of the French Association of Investors for Growth (*Association Française des Investisseurs pour la Croissance* – AFIC) in 2012. He chaired the Commission until 2015.

Lastly, in 2016, Eurazeo was awarded the *ESG Sustainable Development Prize* at the Grand Prix organized by *Private Equity Magazine*.

2.3 SOCIAL INFORMATION

→ Details relating to this section

This section meets the Grenelle II law requirements and covers a regulatory scope different from the scope of Eurazeo's CSR strategy. A comprehensive methodological note on regulatory reporting is available in Section 2.6, p. 145.

The list of companies reviewed in respect of 2016 and included in the Grenelle II reporting scope is as follows: **ANF Immobilier, Asmodee, CIFA, Groupe Colisée, Dessange International, Eurazeo PME, Eurazeo SA, Fintrax, Groupe Flash, Léon de Bruxelles, Péters Surgical and Vignal Lighting Group**. The 2016 reporting scope includes the following changes compared with 2015: Foncia, due to its divestment, is no longer part of the regulatory scope; CIFA, Fintrax and Groupe Flash have been consolidated for the first time. These changes preclude trend analysis between 2015 and 2016.

The best practices of portfolio companies performing trial reporting or companies outside Eurazeo's Grenelle II law reporting scope were included in the 2016 report and described in text boxes.

Eurazeo's model includes teams formed to support investments. The investment teams work consistently to assist companies in the deployment of their strategy, with the active support of corporate teams; they encourage investments to practice responsible human resources management, particularly in the following areas:

- quality of life at work, which encompasses working conditions, social dialogue, career management, and welfare and social protection, including access to healthcare services, provident insurance and preparation for retirement;
- employability throughout working life, from training to employee development. The goal is to ensure that employees remain equipped with the skills needed for their employability.

Eurazeo ensures that the conditions are met to allow shareholder value to grow, in accordance with best practice in terms of employee management, regardless of the sector and the country in which the Company operates. Since 2014, the HRD Club, led by Eurazeo's Human Resources Director, has brought together the Human Resources Directors of investments to facilitate the sharing of good practices.

2.3.1 EMPLOYMENT

Total workforce by gender, age and geographical region

	as of 12/31/2016	
Permanent employees(1)	**Eurazeo SA**	**Eurazeo and subsidiaries**
Number of employees with permanent employment contracts (2)	71	6,274
Percentage of women	54%	65%
Percentage of fixed-term contracts in the total workforce (3)	92%	88%
Percentage of managers	93%	18%

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) The permanent workforce represents all employees with a permanent employment contract.
(2) Including Eurazeo PME and the international offices, Eurazeo has 95 employees with a permanent employment contract.
(3) The total workforce combines permanent and non-permanent employees (employees with a fixed-term contract).

At the end of 2016, Eurazeo SA's permanent workforce was 71 (permanent employment contracts), and the total workforce was 77 (permanent and non-permanent employment contracts).

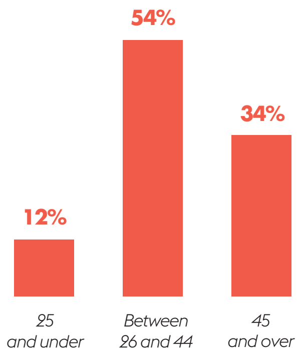
For Eurazeo and its subsidiaries, the permanent workforce was 6,274 and the total workforce was 7,090 as of December 31, 2016.

The permanent workforce includes employees on permanent contracts, full-time or part-time, and corporate officers with employment contracts. The non-permanent workforce includes employees on fixed-term contracts, full-time or part-time, including special fixed-term contracts such as combined work-study programs (professional training and apprenticeship), replacements and seasonal contracts.

Extras and individual contractors, interns, French contracts for international work experience (*volontariat international en entreprise* – VIE), workers made available to the Company by an external company and who work on the premises of the contracting company, and interim staff are not counted among the non-permanent workforce in 2016.

Breakdown of the permanent workforce by age as of December 31, 2016

Eurazeo and its subsidiaries



The coverage rate for Eurazeo and its subsidiaries was 100% in 2016..

Breakdown of the permanent workforce by region (permanent and non-permanent) as of December 31, 2016

As of end-2016, 85% of the total workforce of Eurazeo and its subsidiaries for the reporting scope defined by the Grenelle II law worked in France. The portion of the total workforce based outside Europe is split chiefly between Asia and North America.

2.3.2 NEW HIRES AND DEPARTURES

	2016	
Hires *(permanent workforce, number of employees)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Total hires	**10**	**1,607**

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.

	2016	
Departures *(permanent workforce, number of employees)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Retirement and early retirement	0	23
Departure at the employee's initiative	2	938
Departure at the employer's initiative	1	535
Other departures [1]	0	143
Total departures	**3**	**1,639**

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) Other departures include the end of contracts, negotiated departures, dismissals during trial periods and death.

(1)

2.3.3 COMPENSATION AND BENEFITS

	2016	
Compensation and benefits *(permanent and non-permanent workforce, in millions of euros)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Total payroll (1)	17	223
Amount of profit-sharing scheme or collective bonus outside legal obligations	0.8	5
Percentage of employees benefiting from a profit-sharing scheme or collective bonus outside legal obligations	89%	60%
Percentage of employee shareholders	83%	3%

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) On the total workforce (permanent and non-permanent).

The payroll for Eurazeo and its subsidiaries was €223 million in 2016.

The compensation policy in respect of the members of the **Eurazeo SA** Executive Board is consistent with the AFEP-MEDEF recommendations (see Section 3.2.2, p. 184). The fixed and variable compensation of all employees is reviewed annually, and analyzed in relation to a review of compensation in the market where Eurazeo SA operates. Employees are also eligible for collective compensation in the form of incentive bonuses. Eurazeo firmly believes in allowing employees to benefit from growth in the Company's earnings, and encourages the sharing of value creation, notably by granting free shares and/or stock options within its team and among its subsidiaries. CSR criteria are also taken into account for the calculation of the variable compensation of all Eurazeo SA Executive Board members.

Eurazeo invites all its portfolio companies to share value created or Company profits with employees beyond the circle of managers.

At the end of 2016, eight portfolio companies had introduced systems to allow employees to share in the Company's value creation or results.

In 2016, **Europcar** launched an employee shareholding plan allowing all employees of the holding company and the country subsidiaries to benefit more fully from the Group's earnings growth. Reservation requests were a real success among the Group's employees.

2.3.4 ORGANIZATION OF WORKING HOURS

	2016	
Working hours *(% of permanent staff)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Percentage of full-time employees	92%	85%
Percentage of part-time employees	8%	15%
Number of temporary employees hours	3,308	314,423
Absenteeism rate (1)	1%	9%

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) Absenteeism rate: number of hours of absence (paid or unpaid)/actual number of hours worked. The absenteeism rate is calculated on the total workforce (permanent and non-permanent).

At **Groupe Colisée**, multidisciplinary meetings are organized to review the working conditions of employees and to foster discussion on the optimization of working hours. This thinking is conducted in conjunction with the unions, which attend these meetings on the basis of their ancillary powers in respect of health and safety. Groupe Colisée has also signed a partnership with a company specialized in homework assistance so as to promote education and allow employees to better reconcile their work and home lives. This partnership allows employees of children to receive help with homework at night, on weekends and during school holidays.

2.3.5 LABOR RELATIONS

Eurazeo is attentive to the implementation of policies and measures promoting quality labor relations within its portfolio companies. It aims to promote voluntary initiatives such as employee surveys and social barometers, which are a tool for the expression of social dialogue in companies.

Labor relations and review of collective agreements

Eurazeo SA has a team of 77 employees. This allows dialogue to be based on proximity between management and employees, and the ability to hold discussions in an atmosphere of trust and transparency.

Eurazeo SA's workforce enduringly exceeded the threshold of 50 people in 2014. Elections for employee representatives were held, and representatives from each category were elected. Following these elections, a works council was established, and operating and social activity budgets were allocated. The Company opted for a single employee delegation when the works council was established. Coordination meetings between the works council and management are held every month.

Two company agreements signed with the works council in 2015 are still in force. The first was on professional equality between women and men; the second relates to the intergenerational contract mechanism. Both are valid for a period of three years. Eurazeo SA did not sign any new company agreements in 2016. The Eurazeo incentive agreement is in the process of being renewed; it will be applicable from 2016 to 2018.

Among the companies comprising the reporting scope laid down by the Grenelle II law, eight collective agreements were signed in 2016 in France in the following companies: Asmodee, Péters Surgical and Vignal Lighting Group.

Through agreements signed in 2016, the portfolio companies were able to provide incentives to their employees *via* an increase in the payroll and through bonus agreements. The agreements signed aim to make a positive contribution to the well-being of employees and the balance between their private and professional lives. For example, the reorganization of working hours has allowed employees to take longer parental leave. These economic and social aspects are designed to combine motivation and quality of work life, and are seen as a performance driver for the Company.

Collective agreements signed in France in 2016

Issues addressed in agreements signed in 2016 (Eurazeo and subsidiaries)
Profit-sharing scheme
Collective pension plan (PERCO)
Internal rules
Reorganization of working hours Adjustment of employment, compensation, medical expenses, retirement conditions Profit-sharing scheme
Mandatory annual negotiations
Wage policy and promotion of professional equality between men and women

The i-Day held by **Groupe Colisée** in October 2016 brought together the Group's entire workforce to enable employees to express their ideas and improve the organization and services provided to residents, families and internal teams. i-Day is a collaborative and innovative form of brainstorming using the latest digital technologies to enable every employee to imagine the Group's future.

Employee surveys and social barometers

Conducting social barometers at least every three years is part of the CSR roadmap recommended to portfolio companies as part of the CSR strategy, and one of Eurazeo's "CSR essentials" (see Section 2.2, p. 118). Eight companies (Eurazeo SA, Eurazeo PME, ANF Immobilier Groupe Colisée, Groupe Flash, Léon de Bruxelles, Péters Surgical and Vignal Lighting Group) have surveyed their employees over the last three years; two such surveys were carried out in 2016.

In 2015, **Eurazeo** for the first time conducted a survey on the quality of work life in partnership with Great Place to Work, a human resources consultancy. The response rate was over 84% for Eurazeo SA and Eurazeo PME employees combined.

2.3.6 HEALTH AND SAFETY

Workplace health and safety conditions, occupational diseases and agreements signed

	2016
Workplace accidents *(permanent and non-permanent workforce)*	**Eurazeo and subsidiaries**
Fatalities	0
Accidents with lost time	457
Frequency rate (1)	44
Working days lost due to accidents	20,335
Severity rate (2)	1.95

The coverage rate for Eurazeo and its subsidiaries was 100% in 2016.
(1) Frequency rate: accidents with time lost/(actual number of hours worked x 1,000,000).
(2) Frequency rate: days lost due to accidents/(actual number of hours worked x 1,000).

The nature of **Eurazeo SA**'s business as a private equity company limits the risk of serious accidents. Eurazeo did not record any accidents in 2016.

However, as in any sector, the risk of occupational diseases cannot be ruled out, notably musculoskeletal disorders and stress. Regular physical activity and fitness are major determinants of health at all ages, and Eurazeo SA offers its employees a gym, with classes taught by qualified fitness instructors. Moreover, every two years, all employees are called in for a mandatory check-up in the Occupational Medicine Department. Occupational medicine also conducts an annual review of workstations, offering advice on how to improve ergonomics.

Eurazeo also encourages all of its portfolio companies to provide safe and healthy work environments for their employees.

In 2016, **Groupe Colisée** established an occupational health and safety (OHS) policy and rolled out a three-year action plan. The aim of this comprehensive approach is to develop a culture of prevention and identification of professional and psychosocial risks by providing employees with suitable equipment and ensuring quality working conditions. In addition, specific sums have been allocated to meet needs for the purchase and renewal of technical aids within facilities (patient lifts, adjustable hospital beds, standing frames, sliding sheets). Similarly, the specifications governing work clothes have been reviewed with a view to increasing their quality, safety and comfort. An induction booklet was distributed to all teams in December 2016. It contains all the provisions relating to OSH, and raises employees' awareness of risks associated with the activity, such as musculoskeletal disorders, falls and posture. It also deals with ways of preventing these risks.

Léon de Bruxelles has set up an occupational risk prevention approach with multiple actions, such as the installation of induction ovens since 2013. To date, 15 restaurants have been fitted. This has helped reduce radiant heat, thereby increasing the comfort of kitchen staff.

At Vignal Systems, a subsidiary of **Vignal Lighting Group**, numerous actions designed to prevent occupational diseases were implemented and monitored with the Health, Safety and Working Conditions Committee (HSWCC) throughout 2016. These initiatives were included on the new site opened in the municipality of Corbas (Lyons metropolitan area). They included the installation of electric height adjustment workstations, the creation of loading/unloading docks that avoid the use of forklifts, the elimination of split levels so as to limit manual traction of trolleys and the installation of a new central material for injection to avoid heavy lifting.

In line with the Group's sustainable development commitments, **Novacap** has implemented Health Safety Environment (HSE) management based on risk control. It is performed by an HSE Manager within the Industrial Department, who monitors and imposes standards on all associated activities, managed by each site. On the basis of evaluations and/or audits carried out by external bodies, the Group has set specific targets covering periods from one to four years in response to recommendations and/or regulatory requirements as identified. Based on these overall objectives, each entity sets its own goals and devises its own action and improvement plans to achieve them. These plans are reviewed monthly by middle management and quarterly by top management. The Group's results in terms of the accident frequency rate (category 1) have varied between 1 and 3 over the last five years, compared with an average of more than 10 in the chemicals, petrochemicals and pharmaceutical industries in France.

Musculoskeletal disorders (MSD) are the leading occupational disease in France. Françoise Saget of **MK Direct** group is a member of the prevention program launched by CARSAT, France's national retirement insurance and workplace health fund. Françoise Saget's commitment and approach in respect of the prevention of these risks were rewarded in November 2016 when the Company obtained the third place in the TMS Pros awards in the category "company with more than 200 employees", among 120 companies.

Preserving the health and safety of employees is a priority for **Neovia**. An example of its commitment is the "Good Day Safely" event in Brazil, which involves all employees. The innovative approach used testimony from employees' families to raise awareness about the importance of safety.

Moncler is strongly committed on issues related to health and safety at work. In 2016, it obtained OHSAS 18001 occupational health and safety management certification for its Italian offices and stores, where more than 700 employees work.

2.3.7 SKILLS DEVELOPMENT

Training policies implemented

	2016	
Training *(permanent and non-permanent workforce)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Total number of training hours	982	94,886
Training expenditure *(in millions of euros)* (1)	0.3	2.47
Percentage of employees who attended at least one training course during the year (2)	55%	69.5%

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) Training expenditure does not include payroll charges.
(2) Within the permanent workforce.

Eurazeo SA strives to offer its employees the opportunity to achieve and maintain their full potential, while meeting their needs and expectations in terms of skills development. Training courses are selected in relation to investment projects underway and/or job-related issues. The main topics of training offered in 2016 were communication, personal development, foreign languages and the use of IT and digital tools.

In 2016, Groupe Colisée focused its training efforts on its facilities: it deployed the Montessori method adapted to the elderly in 60% of establishments, with the aim of helping assisted people regain autonomy. Various courses were geared towards improving the quality of the welcome, hospitality and catering, or enhancing the managerial skills of nursing managers.

At Groupe Flash, operating teams were trained in procedures and internal operational tools on the Training Center available on the Group's Intranet. Each employee can receive online training on such topics as the status of "Authorized Economic Operator," the management of customer complaints or the transportation feasibility analysis tool.

Fintrax supports its employees' training and development needs. In 2016, training was introduced to improve the management skills of staff with managerial responsibilities. Moreover, Fintrax supports university studies with a positive impact on the Company's activities, such as MBAs or university degrees in technological disciplines.

2.3.8 EQUAL TREATMENT AND PROMOTION OF DIVERSITY

	as of 12/31/2016	
Diversity *(permanent staff)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Percentage of women	54%	65%
Percentage of women among managers in the permanent workforce	52%	49%
Percentage of women on the Supervisory Board (SB) or Board of Directors (BD)	33%	24%
Percentage of women on the first decision-making body (1)	33%	18%

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) Companies may have several different kinds of decision-making bodies, the names of which may vary depending on the Company. At Eurazeo, the first decision-making body is the Executive Board, comprised of three members.

Eurazeo promotes gender equality in its portfolio companies, notably within their governance bodies. Eurazeo's CSR strategy includes the goal of achieving 40% representation of women on Boards of Directors or Supervisory Boards by 2020, in accordance with the Copé-Zimmermann law (see Section 2.2, p. 118). This quantitative goal applies to Eurazeo, as well as to all portfolio companies, regardless of their size or their legal obligations.

Measures to promote equal employment

Eurazeo believes that gender equality is a factor in the performance and competitiveness of businesses. As such, since 2008, it has lent its support to the *Rising Talents* program, a unique network of 150 high-potential young women created through the *Women's Forum for the Economy and Society*. Eurazeo is actively involved in the selection process of the 20 young women who join the network each year.

In October 2014, Eurazeo launched *Eurazeo Pluriels* with the aim of promoting diversity within its sphere of influence. *Eurazeo Pluriels* organizes events designed to raise awareness about gender equality among portfolio companies, and to draw up improvement plans with targets. Concurrent with the launch of *Eurazeo Pluriels*, Eurazeo joined the *Financi'Elles* network, one of the leading women's business networks in the financial sector.

In 2015, Eurazeo established a Code of Ethics, signed by all employees. Among other provisions, it prohibits any form of discrimination based on gender, age, origin, religion, sexual orientation, physical appearance, health status, trade union membership or disability.

At the end of 2016, Eurazeo launched a mixed, inter-company cross-mentoring program, as discussed on p. 124.

Eurazeo was ranked 56th in the *Ethics & Boards* 2016 ranking of the number of female directors in large companies, a gain of 19 places compared with 2015 and 21 places compared with 2014. The move up the rankings is attributable to the appointment of a woman to the Compensation Committee and the increased number of women among managers.

Since late 2009, **ANF Immobilier** has applied an industry agreement for the employment of seniors. This agreement reaffirms the Company's commitment to the principle of non-discrimination related to age; its aim is to promote access to and retention in employment for older employees, as well as to remove obstacles weighing on their compensation and career development.

Groupe Flash believes that the success of international expansion is hinged primarily on respect for cultural diversity and local practices. Diversity management is an integral part of the fundamental values promoted by the Group. For example, six nationalities are represented on the Executive Committee.

Measures to promote the integration of people with disabilities

Since 2014, **Groupe Colisée** has distributed a kit to raise employee awareness and to provide facilities with support on disability.

In 2016, **Péters Surgical** made a commitment to raise the awareness of all its employees in France on the issue of disability diversity.

Policy against discrimination, and for the promotion of and compliance with the fundamental conventions of the International Labour Organization (ILO)

The **Eurazeo SA** Code of Ethics promotes respect for human rights and formalizes Eurazeo SA's commitments in relation to its employees, business partners, shareholders and portfolio companies on these topics.

Eurazeo also promotes compliance with the ILO conventions, and encourages its subsidiaries to join the United Nations Global Compact and to adopt a code of conduct or ethics. Eurazeo SA, a signatory since early 2014, submitted its Communication on Progress (COP) at the Advanced level within a year of signing the Compact. Four companies in the Grenelle II law reporting scope are also signatories of the Global Compact: ANF Immobilier, Eurazeo PME, Groupe Flash and Vignal Lighting Group.

> **AccorHotels**, **Elis** and **Europcar** are signatories of the United Nations Global Compact.

2.4 ENVIRONMENTAL INFORMATION

→ Details relating to this section

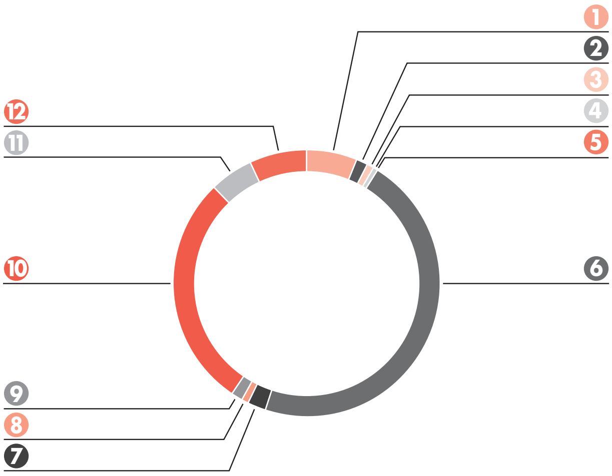
This section meets the Grenelle II law requirements and covers a regulatory scope different from the scope of Eurazeo's CSR strategy. A comprehensive methodological note on regulatory reporting is available in Section 2.6, p. 145.

The list of companies reviewed in respect of 2016 and included in the Grenelle II reporting scope is as follows: **ANF Immobilier, Asmodee, CIFA, Groupe Colisée, Dessange International, Eurazeo PME, Eurazeo SA, Fintrax, Groupe Flash, Léon de Bruxelles, Péters Surgical and Vignal Lighting Group**. The 2016 reporting scope includes the following changes compared with 2015: Foncia, due to its divestment, is no longer part of the regulatory scope; CIFA, Fintrax and Groupe Flash have been consolidated for the first time. These changes preclude trend analysis between 2015 and 2016.

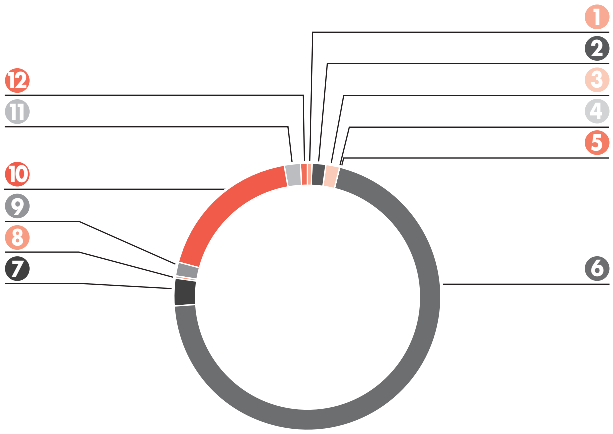
The best practices of portfolio companies performing trial reporting or companies outside Eurazeo's Grenelle II law reporting scope were included in the 2016 report and described in text boxes.

Eurazeo analyzes the environmental impacts of its portfolio companies every year.

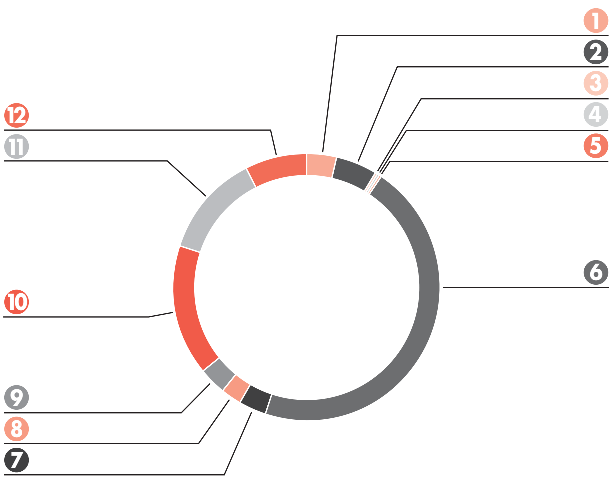
ENERGY CONSUMPTION EXCLUDING FUEL – 95.3 GWH



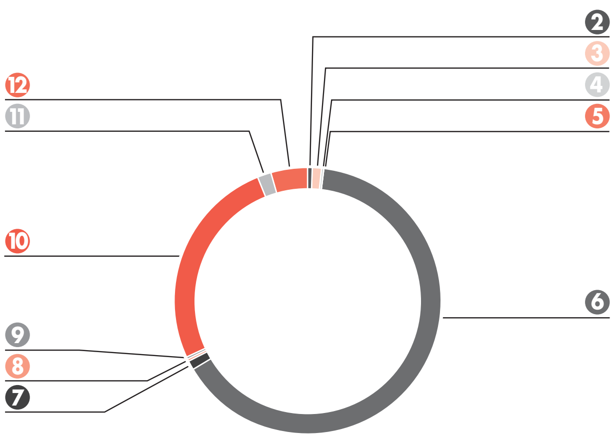
GREENHOUSE GAS EMISSIONS (SCOPES 1 AND 2) – 12,132 METRIC TONS OF CO_2 EQUIVALENT



WATER CONSUMPTION – 550,734 CU.M.



WASTE PRODUCTION – 10,903 METRIC TONS [(1)]



(1) For ANF Immobilier, information concerning total waste production in 2016 is not available.

1. ANF Immobilier
2. Asmodee
3. CIFA
4. Eurazeo SA
5. Eurazeo PME
6. Groupe Colisée
7. Dessange International
8. Fintrax
9. Groupe Flash
10. Léon de Bruxelles
11. Péters Surgical
12. Vignal Lighting Group

2.4.1 GENERAL ENVIRONMENTAL POLICY

Organization of the Company to take into account CSR and methods implemented in respect of the environment

	2016
CSR organization	**Eurazeo and subsidiaries**
Number of portfolio companies with a CSR manager (1)	11/11
Number of portfolio companies with an operational CSR committee (1)	9/11
Number of portfolio companies with quantified CSR progress targets	5/12
Number of companies with a CSR charter	6/12

The coverage rate for Eurazeo and its subsidiaries was 100% in 2016.
(1) Social and governance indicators are not applicable to CIFA.

Eurazeo's CSR policy applies throughout each of the three investment phases: during the acquisition phase, with CSR due diligence; during the support phase, when CSR is an integral part of long-term value creation; and, lastly, during the divestment phase, with a CSR review.

CSR policy is a strategic issue for Eurazeo, embodied at the highest level by the Secretary of the Executive Board, to whom Eurazeo's CSR Director reports. CSR issues feature on the Executive Board agenda at least three times per year. CSR objectives are also part of the factors taken into account for the calculation of the variable compensation of each Executive Board member.

Eurazeo's Supervisory Board has also had a CSR committee since 2014. Its purpose is to assist the Supervisory Board in monitoring CSR-related issues so as to allow Eurazeo to better anticipate the associated opportunities, challenges and risks. The CSR committee considers these issues in coordination with the Executive Board, reports to the Supervisory Board on the exercise of its duties, and issues recommendations on Eurazeo CSR policy and actions.

Working groups comprised of Eurazeo SA and Eurazeo PME employees were formed in 2014. They continued their work in 2016 in order to propose and implement actions related to themes of diversity, commitment to the broader community, responsible purchasing and measuring the environmental footprint.

Eurazeo encourages the establishment of a dedicated CSR structure within its portfolio companies, as a means of accelerating its progress. This approach is described in detail in Section 2.2, p. 118.

Nine of the 12 companies in the reporting scope determined by the Grenelle II law have an operational CSR committee. Operational CSR committees are chaired by the CSR manager of each company. They combine representatives of the various departments with a role to play in sustainability (purchasing, human resources, communications, marketing, etc.). Their key task is to draft, monitor and deploy CSR actions within the business.

> The **Elis** group's CSR policy is fully integrated in its "Operational Excellence" strategic thrust. As part of its policy, Elis has set the goal of reducing its water and energy consumption by 25% between 2010 and 2020. To facilitate and support this process, the Process Engineering team conducted 20 on-site audits in 2016, identifying numerous areas for improvement.

Evaluation and certification process

Eurazeo's new premises in Paris have dual environmental certification (HQE Excellent and BREEAM Exceptional), as well as BBC low energy consumption status. These certifications guarantee high environmental and energy performance.

ANF Immobilier aims to mainstream environmental certification within its development projects. In 2016, the New Way project in Lyons implemented the standards needed for BREEAM Very Good status. BREEAM certification is associated with a high thermal performance, and highlights the excellent standard of insulation on the building's facade.

The offices of **Groupe Flash**'s operational holding company based in Contern (Luxembourg) also have BREEAM Excellent status, which demonstrates the building's very good energy performance.

The environmental management system of Vignal Systems and ABL Lights France, subsidiaries of **Vignal Lighting Group** have ISO 14001 certification for the "design, manufacture and marketing of signaling systems for industrial vehicles" and "design and manufacture of lighting materials" activities.

> In 2014, **Desigual**'s Nova Bocana boutique in Barcelona obtained LEED (Leadership in Energy and Environmental Design) certification at Platinum level, the highest level available under the system. In 2016, the brand's flagship in the heart of Barcelona also obtained LEED certification at Platinum level. This certification guarantees reductions of over 40% in water consumption and 25% in energy consumption, and the recycling of at least 75% of waste from the construction site.
>
> All of **Europcar**'s European subsidiaries have ISO 14001 certification.
>
> In 2016, the **Elis** group strengthened the scope of ISO 50001 certification, which covers energy management. 54 French sites have ISO 50001 certification; two received it in 2016.

Training and information of employees in environmental protection

In 2016, **Eurazeo** organized three CSR awareness-raising meetings for its portfolio companies, one on CSR reporting and the monitoring of non-financial performance, and two on the Responsible Procurement Program.

In 2016, **Dessange International** launched an online platform for measuring its environmental footprint and sharing best practices across its entire network of hair salons. Salons operating under the Dessange and Camille Albane brands in France and Belgium are already participating in this initiative. Dessange's aim in creating this platform is to raise the awareness of the Group's salons and to assist them in taking practical measures to limit social and environmental impacts.

Expenditure, resources and measures devoted to compliance and the prevention of environmental risks and pollution

No significant pollution or environmental risks have been identified in direct relationship with Eurazeo SA's activity as an investor.

The absence of compliance issues or provisions means that **Eurazeo SA** did not incur any compliance expenditure the last year, and did not record any provision for environmental risks. Within the portfolio companies, a combined total of more than €108,144 was committed to compliance work in 2016, and €100,000 in provision for environmental risks.

Lastly, neither **Eurazeo SA** nor any of the companies in the Grenelle II law reporting scope paid any compensation in respect of environmental disputes in 2016.

In the process of reviewing investment projects, due diligence on environmental issues is conducted by specialized firms or internally by Eurazeo's CSR Department. The risks identified are factored into the investment decision and the subsequent monitoring of the investment.

Consideration of environmental risks in portfolio companies is dealt with in Section 3.4, p. 199.

2.4.2 POLLUTION

Discharges into the air

	2016
Air emissions *(in metric tons)*	**Eurazeo and subsidiaries**
Sulfur oxide emissions (SO_x)	0.3
Nitrogen oxide emissions (NO_x)	9.9

The coverage rate for Eurazeo and its subsidiaries was 100% in 2016.
Source of emission factors: Organization and Methods of the National Atmospheric Emissions Inventory of France (OMINEA), Interprofessional Technical Center for the Study of Atmospheric Pollution (CITEPA), 2014.

Eurazeo SA does not emit sulfur oxides or nitrogen oxides in the course of its business.

As part of maintenance contracts covering the **Groupe Colisée** sites, boilers, and air-conditioning and mechanical ventilation systems are regularly checked by an approved external agency to limit emissions of particles into the atmosphere. In addition, all sites renovated in 2016 have used depolluting paint, which serves to improve the quality of indoor air.

At its production facility in Caen, ABL Lights France, an entity of **Vignal Lighting Group**, has installed a surface treatment system with a mist eliminator to filter emissions into the air.

Water and soil discharges

Eurazeo SA does not produce any water discharge in the course of its business. Moreover, the industrial activities of the portfolio companies included in the Grenelle II regulatory scope in 2016 did not produce significant pollutant discharges into water or soil.

As part of its development projects, **ANF Immobilier** integrates all regulatory requirements and recommendations on soil quality during the building permit application process. In 2016, the New Way building in Lyons was fitted with an in-ground 204 cubic meter filtration basin. Connected to the rainwater recovery system, this system can effectively filter storm water.

Aiming to reduce the saline liquid discharges on its Yangzi industrial platform in China, **Novacap** invested in a unit nicknamed "Salty" allowing the platform to reduce waste and establish a circular economy through the recovery of part of the saline discharges of sodium chloride consumed on site, thereby creating 17 jobs and confirming Novacap's key role in this industrial zone.

Account taken of noise and other forms of pollution specific to an activity

ANF Immobilier is committed to reducing noise pollution from its development or renovation projects following the recommendations of HQE (High Environmental Quality) consultants. The New Way building in Lyons, for instance, has an acoustic wall that reduces noise emitted by nearby facilities for the comfort of office tenants.

2.4.3 CIRCULAR ECONOMY

Prevention and management of waste

Total waste production

Eurazeo SA's annual non-hazardous waste production is estimated at 6 metric tons in 2016, of which 4.6 metric tons of paper and cardboard (based on ADEME methodology published in 2012 and updated in 2015). Eurazeo SA does not produce a significant amount of hazardous waste.

	2016
Waste production *(in metric tons)* [(1)]	**Eurazeo and subsidiaries**
Hazardous waste produced	108
Non-hazardous waste produced	10,794
Total waste	**10,902**

The coverage rate for Eurazeo and its subsidiaries was 100% in 2016.
(1) ANF Immobilier is not included in this indicator for Eurazeo and its subsidiaries.

Waste recycling

Eurazeo SA recycled 3.8 metric tons of waste in 2016, at a cost of roughly €25,706 over the year. In the scope covering Eurazeo and its subsidiaries, 40% of hazardous waste and 20% of non-hazardous waste was recycled in 2016.

At **Dessange International**, action has been taken to reduce the various sources of waste production: at the plant (recyclable waste is fully recycled through 12 sorting channels), in salons (three pilot salons are testing sorting *via* four specific channels), in various offices around the world (100% of office paper is recycled) and, lastly, through product design (life-cycle assessment of bottles used for one of the group's shampoo ranges to develop an eco-design packaging approach).

At its Gerardmer site (in the Vosges, France), **MK Direct**'s Linvosges brand reuses waste fabrics from its production. Pallets in good condition are reused internally, others are donated to be used for heating. Furthermore, all waste from packaging (plastic, cardboard, ties) and office activities (paper, plastic bottles) is recycled. In 2016, Linvosges reused 100% of non-hazardous waste.

Novapex, a subsidiary of the **Novacap** group, was awarded the Pierre Potier Scientific Prize, which rewards innovation in the service of sustainable development. In a goal of diversifying into products with higher value added, Novacap has developed an innovative process in partnership with IFPEN (IFP Énergies Nouvelles) based on the intensification of processes (reactive distillation and heterogeneous catalysis). Moreover, a circular economy was achieved through the use of a hitherto little used co-product developed by another subsidiary of the group. Moreover, this process does not use primary energy from fresh steam, and consumes only secondary steam (recycling), thereby preserving natural resources.

On the site of **Orolia**, in Lanham (United States), all existing waste streams (paper, packaging, plastics, metals, cables) are sorted and processed by a company specializing in recycling. In addition, waste electrical and electronic equipment (WEEE) such as computers is recycled by a local computer company.

Waste prevention, reduction and disposal measures

Paper is the biggest source of waste for **Eurazeo**. According to ADEME statistics, an employee in the services industry in France produces between 120 kg and 140 kg of waste on average each year in his or her place of work, of which between 70% and 85% is paper and cardboard.

Eurazeo collects and recycles its main sources of waste, such as paper, plastic bottles and cans. In 2014, a pilot program was also established for the collection and recycling of coffee capsules. In 2016, nearly 4.6 metric tons of paper were collected and recycled by Eurazeo SA and Eurazeo PME. The environmental impact of this initiative is equivalent to saving 78 trees, 138,210 liters of water and 2,534 kg of CO_2. Eurazeo encourages its employees to use paperless documents and to limit printing. It has also implemented a paperless system for pay slips and other company documents for all employees.

The installation of a microfiltration system to purify tap water directly has allowed Eurazeo to significantly reduce the use of plastic bottles.

To reduce the amount of waste generated by construction sites and the operation of buildings, **ANF Immobilier** has included a specific section in its sustainable sourcing charter. The site of the New Way building stood out by virtue of respect for waste sorting throughout the construction phase.

Péters Surgical France takes measures to reduce and eliminate waste at its sites. They include quarterly disposal of hazardous chemical waste, separation of electrical and electronic waste, recycling of paper waste and treatment of contaminated waste. In 2016, Péters Surgical established a specific waste management system for infectious medical activities.

Measures to combat food waste

A communication campaign was conducted jointly with the **Groupe Colisée** caterer as part of Sustainable Development Week. The main topics addressed were the preservation of biodiversity and the fight against food waste. Groupe Colisée teams were also given awareness raising on the importance of "portioning food" to stimulate appetite residents while avoiding waste.

At **Léon de Bruxelles**, orders of mussels are managed on the basis of a consumption ratio determined based on the origin of the product and activity. Deliveries are made near-daily, thereby ensuring that customers receive fresh mussels, while limiting losses.

Moreover, work on business forecasts and details of cooking procedures have served to better manage the quantities of all products ordered.

Sustainable use of resources

Water consumption and action to optimize water consumption

	2016	
Water consumption	**Eurazeo SA**	**Eurazeo and subsidiaries**
Water consumption *(in cu.m.)*	927	550,734
Amount spent on water consumption *(euros)*	3,250	1,875,639

The coverage rate for Eurazeo SA was 100% in 2016; for Eurazeo and its subsidiaries, it was 86-100% in 2016.

Eurazeo moved into a building boasting HQE and BREEAM certification in early 2016. Efficient and water-saving sanitary facilities were installed in bathrooms and changing rooms to reduce water consumption. They result in the saving of tens of liters per person per day.

Water is a priority issue for any company in the cosmetics sector like **Dessange International**. The analysis of the water necessary for the production of hair and cosmetic products at its industrial site and during the operational phase in salons (everyday use, hair-styling services), has yielded important lessons. The salon networks account for 98% of the 800,000 cubic meters of water consumed annually by the Dessange group, according to the results of the life-cycle assessment conducted in 2015. One hundred percent of directly owned salons and training centers are now equipped with water control devices.

At **Léon de Bruxelles**, restaurant water meters have been read and analyzed weekly since 2013 in order to identify excessive water consumption based on theoretical consumption specific to each restaurant. This approach has reduced consumption by 10% compared with 2012.

Optimizing water consumption was one of the challenges on the extension work on **CIFA**'s headquarters. The latest building built is equipped with water-saving sanitary equipment to reduce water consumption by 70%.

Water supply depending on local constraints

The distribution of freshwater resources is very uneven throughout the world; the risk of shortages can be a source of political and social tension. Water stress analysis can be used to assess the situation by looking at needs in relation to available resources. Eurazeo is attentive to these issues during CSR due diligence, carrying out studies based on recognized indices or relying on specialized firms.

Dessange International has conducted an assessment of its vulnerability to water stress. The results highlighted several areas where the Group operates through franchised salons and those where a risk of water shortage exists, including Belgium, Morocco, Spain, India, South Korea and some areas in the United States. Special attention must therefore be given to the water footprints of these salons.

> Permanent access to water is a critical criterion for the laundry business. When establishing new production units, **Elis** conducts hydro-geological surveys to determine whether water can be supplied by drilling or through other sources, so as to bolster its sustainability. It consults the competent authorities to determine the regulatory and technical feasibility of its water supply process.

Raw material consumption and measures taken to improve the efficiency of their utilization

The activities conducted by Eurazeo and its portfolio companies in the Grenelle II reporting scope did not involve significant consumption of raw materials or natural resources in 2016. No consolidated information can be disclosed due to the variety of the portfolio companies' activities.

Dessange International has conducted a pilot life-cycle assessment (LCA) on the Camille Albane range. New packaging was developed in accordance with eco-design criteria thanks to the new approach: the new bottles reduce CO_2 emissions by 35% and cut the impact on biodiversity and water abstraction by 75%.

Vignal Systems, a subsidiary of **Vignal Lighting Group**, is working to reduce the consumption of its two main raw materials, poly-methyl methacrylate and propylene, by measuring daily injection and assembly scrap. Thus, the scrap rate fell by 35% between 2011 and 2016, through action on tooling and injection processes for lights and bonding processes.

Energy consumption and measures taken to improve energy efficiency

	2016	
Energy consumption excluding fuel *(in MWh)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Electricity [(1)]	322	39,164
Renewable energies	50	18,018
Natural gas	104	34,383
Heavy fuel oil and heating oil	0	1,631
Other energy [(2)]	0	2,119
Total energy consumption	476	95,315
Energy expenditure *(in millions of euros)*	0.04	8
Share of renewable energies	10%	19%

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) Excluding renewable energies.
(2) Other gases, district heating and cooling.

	2016	
Fuel consumption *(in liters)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Gasoline	3,531	44,454
Diesel	3,368	403,560
Total fuel	6,899	448,014
Fuel expenditure *(in thousands of euros)*	9	527

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.

Eurazeo's new premises boast a very high environmental performance (see p. 124).

The power used across all **Groupe Colisée** sites in 2016 was supplied under a green energy contract. Power derived from renewable sources accordingly covered 100% of electricity consumed, or 13 GWh.

Fintrax is very attentive to the energy efficiency of its premises. All the lighting in the Dangan office in Ireland has been replaced by LEDs. This initiative has reduced electricity consumption by over 40%. Moreover, during the renovation of Tully office, also in Ireland, all exterior windows were sealed, and blinds have been installed to improve the insulation of the office.

Vignal Lighting Group has taken numerous initiatives to improve the energy efficiency of its new industrial building in the municipality of Corbas (Lyons metropolitan area). The "work" area has a cooling system with very low energy consumption, twice the regulatory minimum for natural lighting, and full LED lighting. Furthermore, heat generated by the air system compressor is used to heat the work area. Vignal Systems has also installed three electric injection presses, whose energy consumption is 65% lower than traditional presses.

All German sites and almost all of **Europcar**'s French sites are supplied with power derived from renewable sources.

Moncler has equipped 70% of its stores around the world with LEDs, thereby ensuring energy savings of over 50% compared with the previous lighting systems.

At the end of 2015, **Neovia** installed a biomass boiler on one of its main sites in Vietnam. With a capacity of 5 metric tons of steam per hour, this fully automated boiler uses an abundant local biomass in Vietnam, namely rice husks. The boiler has stopped consumption of fuel oil on site, resulting in an 18% reduction in energy expenditure and bringing total production costs down by 4%.

Land use and prevention and mitigation measures taken to prevent soil discharges

When a target company has production sites and/or uses dangerous products, Eurazeo integrates land use and impact studies into its due diligence.

2.4.4 CLIMATE CHANGE

Greenhouse gas (GHG) emissions

	2016	
GHG emissions [1] *(in metric tons of CO_2 equivalent)*	**Eurazeo SA**	**Eurazeo and subsidiaries**
Measurement of the GHG footprint in the last three years	yes	7
Scope 1 [2]	38	8,874
Scope 2 [3]	13	3,258
Total	51	12,132
Emissions – energy consumption excluding fuel	34	10,951
Emissions – fuel consumption	17	1,181
Scope 3[4]	554	71,208

The coverage rate for Eurazeo SA and for Eurazeo and its subsidiaries was 100% in 2016.
(1) The emissions factors used to convert the data to CO_2 emissions come from the Intergovernmental Panel on Climate Change (IPCC) 2006 (combustibles and fuel) and the International Energy Agency (IEA) (electricity consumption), in accordance with the methodology of the Greenhouse Gas (GHG) Protocol.
(2) Scope 1 emissions are direct emissions from fuel consumption on site (gas, oil, etc.), fuel consumption in vehicles and leakage of refrigerant substances.
(3) Scope 2 emissions are indirect emissions caused by the generation of electricity, steam, heating or cooling bought and consumed.
(4) This figure includes the Scope 3 emissions of the following companies: Eurazeo SA, Eurazeo PME, ANF Immobilier, Asmodee France, Dessange International, Léon de Bruxelles and Vignal Lighting Group.

Significant sources of greenhouse gas emissions generated due to the Company's activity, including the use of the goods and services it produces

Eurazeo encourages its portfolio companies to calculate their environment footprint or carry out a carbon audit every three years (see the seven "CSR essentials," p. 118). Since 2014, seven companies (Eurazeo SA, Eurazeo PME, ANF Immobilier, Asmodee, Dessange International, Léon de Bruxelles and Vignal Lighting Group) have carried out such assessments.

In 2014 and 2015, Asmodee and Dessange International conducted life-cycle assessments of all of their activities. These studies helped raise the awareness of teams and draft improvement plans, resulting in targeted initiatives.

In 2016, Eurazeo identified the main sources of greenhouse gas emissions across its portfolio. The three most widespread sources of emissions are employee travel, purchasing and fixed assets. The portfolio companies are taking action to measure and control the key sources of greenhouse gas emissions resulting from the use of their goods and services.

In 2014, Eurazeo updated its carbon audit to determine the biggest emission sources and prioritize corrective measures. The main emission sources are business travel (39% of total emissions, with 240 metric tons of CO_2 equivalent), purchases (32%) and fixed assets.

In view of climate change, **Asmodee** pays close attention to the CO_2 emissions generated by its activities, notably its supply chain, which is the main source of greenhouse gas emissions. Since 2015, Asmodee has shipped of some of its merchandise from Asia to Europe by rail rather than air.

Groupe Flash has chosen to join the Lean & Green program to reduce fuel consumption and CO_2 emissions related to the transportation it organizes. In October 2015, the Group was awarded the first star of the Lean & Green program for reducing its CO_2 emissions by 20% in the space of five years.

The use of auto lamps produced by Vignal Systems, a subsidiary of **Vignal Lighting Group**, is the leading sources of its CO_2 emissions. LED lights represent over 30% of annual sales and consume five times less electricity than conventional lights, contributing to the reduction of vehicle fuel consumption.

> As part of the launch of the "Group Low Carbon Mission", **Europcar** has estimated its CO_2 emissions. According to the study, 98% of the Group's carbon footprint falls under Scope 3, 78% of which from vehicle use by customers and 12% from car manufacturing. Europcar strives to reduce its carbon footprint and that of its customers. By offering more modern vehicles for rental, the average emissions of the Group's fleet have been falling for several years. They are now below 120 g of CO_2 per kilometer.

Adapting to the impact of climate change

The activities of Eurazeo and its portfolio companies have not been affected by the direct impact of climate change to date. However, measures aimed at reducing the environmental impacts of their activities are conducted in cooperation with each of them.

Eurazeo aims to be exemplary on its own scope, and is committed to reducing its environmental footprint, as described on p. 124.

Moreover, Eurazeo has given its commitment to managing and reducing greenhouse gases emissions by founding Initiative Carbon 2020 (iC20) with four other private equity companies (see Section 2.2, p. 119).

AccorHotels is a founding member of the International Platform for Insetting (IPI) alongside several large groups. Launched publicly in December 2015 to coincide with COP21, the IPI is a collaborative platform within which companies committed to insetting (the development of ecosystem protection projects with a view to adapting to climate change) call on suppliers, project developers, impact funds, academic partners and certification bodies to contribute to the program. A standard was developed in 2016 to allow companies to certify their insetting programs and projects. AccorHotels' Plant for the Planet insetting program is based on the following principle: encourage guests to reuse their towels and allocate 50% of laundry savings to reforestation projects.

Elis is committed to limiting its environmental footprint by reducing its emissions of greenhouse gases and better using natural resources. To this end, reverse osmosis units have been installed on the water supply system of boilers, and work continues to insulate critical points in Elis plants. Specific initiatives have also been undertaken on some sites.

2.4.5 PROTECTION OF BIODIVERSITY

ANF Immobilier believes that the preservation of biodiversity is an integral part of its property development projects. Recommendations by ecologists are factored into new developments. In 2016, the New Way building was equipped with nesting boxes in the trees, and insect hotels allowing the development and preservation of the surrounding biodiversity.

At **Dessange International**, the biodiversity-friendly responsible raw materials sourcing program was stepped up in 2016. A major data collection phase has been established to ensure supplier compliance with the Group's commitments, notably including the evaluation of four main principles: traceability, quality, biodiversity and communities. In 2016, 60% of suppliers integrating the approach signed the Positive Sourcing charter, committing to confining their use of raw materials to those produced in a manner respectful of ecosystems and biodiversity.

2.5 SOCIETAL INFORMATION

Details relating to this section

This section meets the Grenelle II law requirements and covers a regulatory scope different from the scope of Eurazeo's CSR strategy. A comprehensive methodological note on regulatory reporting is available in Section 2.6, p. 145.

The list of companies reviewed in respect of 2016 and included in the Grenelle II reporting scope is as follows: **ANF Immobilier, Asmodee, CIFA, Groupe Colisée, Dessange International, Eurazeo PME, Eurazeo SA, Fintrax, Groupe Flash, Léon de Bruxelles, Péters Surgical and Vignal Lighting Group**. The 2016 reporting scope includes the following changes compared with 2015: Foncia, due to its divestment, is no longer part of the regulatory scope; CIFA, Fintrax and Groupe Flash have been consolidated for the first time. These changes preclude trend analysis between 2015 and 2016.

The best practices of portfolio companies performing trial reporting or companies outside Eurazeo's Grenelle II law reporting scope were included in the 2016 report and described in text boxes.

2.5.1 TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE ACTIVITY

Eurazeo aims to present a broader vision of its societal footprint to showcase the many different kinds of contributions that companies make to their ecosystem, including the value they create for civil society, in the light of its impacts on ecosystems.

		2016	
Social footprint *(in millions of euros)*		**Eurazeo SA**	**Eurazeo and subsidiaries**
Contribution to purchasing power	Number of employees (1)	77	7,090
	Total payroll (1)	17	223
Community funding	Employer social security contributions (2) (3)	11.6	90.7
	Taxes and duties (2)	9.8	57.8
Contribution to economic activity	Purchases (2)	17.4	901.8
Contribution to civil society *(in thousands of euros)*	Amount spent on societal actions – partnerships and sponsorship	345	728
	Number of companies with a Code of Ethics, code of conduct or anti-corruption code	1	8/12
Contribution to the business climate	Number of companies with an Audit Committee (4)	1	8/11

(1) Permanent and non-permanent workforce.
(2) Data corresponds to financially consolidated sub-groups (for example, acquisitions made by portfolio companies in 2016 are included).
(3) Fintrax is not included in this indicator.
(4) This indicator is not appicable to CIFA.

Stemming from a partnership between **AccorHotels** and its main supplier of cleaning products, the "Soap for Hope" program locally unites several hotels in the monthly collection of their used soap. The soap is then given to local NGOs trained in disinfection and recycling to be made into new soap to be distributed to the disadvantaged for free. Initiated by a dozen hotels in Thailand in 2014, the Soap for Hope program has now been adopted by more than 100 hotels in five Asian countries, benefiting several thousand people. Building on this success, the Group aims to expand the program to Europe to support disadvantaged populations and refugees.

2.5.2 RELATIONS WITH INDIVIDUALS AND ORGANIZATIONS INTERESTED BY THE COMPANY'S ACTIVITIES

Conditions of stakeholder dialogue

Governance is one of the pillars of **Eurazeo**'s CSR strategy, underscoring the Group's belief that governance is a key factor in the success and survival of businesses. Stakeholder dialogue is an essential ingredient of good governance.

In 2015, Eurazeo SA updated its stakeholder mapping. The approach is described in detail on p. 98.

2016 was another eventful year for Eurazeo in terms of interactions with its shareholders and institutional investors. Thirty-nine days were devoted to roadshows and conferences covering Europe, North America and Asia. In 2016, over 357 interviews were conducted with nearly 450 institutional investors, including one roadshow and several meetings with SRI (socially responsible investment) analysts and fund managers sensitive to these issues. This strategy of dialogue with the financial community is a pillar of our investor relations.

ANF Immobilier won two awards at the 2016 European Public Real Estate Association (EPRA) conference. These awards recognize the most significant improvement in sustainability and the quality of the non-financial CSR information communicated by ANF Immobilier.

Groupe Colisée's dialogue with its stakeholders uses several channels of communication: the various advisory bodies, through which clients and their relatives are consulted, satisfaction surveys performed among clients and their families, as well as legal and regulatory resources such as the welcome booklet, operating rules or charters, the Groupe Colisée website and the My Colisée application, Groupe Colisée's own secure private social network for residents, friends and families.

To allow young employees (aged under 35) to participate in building the Company's future, Péters Surgical has established a new "Future Committee" aimed to assembling avenues of innovation for the future. The 10-person committee took part in a preparatory meeting and a three-day seminar. The key modernization thrusts identified by the committee were presented to the Steering Committee.

Partnership and corporate sponsorship actions

Eurazeo, promoting education

In the firm belief that education is a fundamental vector for development and a growth driver for the future competitiveness of the economy, Eurazeo began taking initiatives in favor of education in September 2015.

Innovative projects developed with NGOs and teachers have been set up in the fields of reading, tutoring, commitment among young teachers and the provision of school materials. The aim shared by these initiatives is to fight against academic failure; all initiatives are subject to regular performance assessment and monitoring.

Learning to read and tutoring

In view of the importance of good reading skills as a prerequisite for success at school, Eurazeo has provided support for a specific program allowing children to learn to read using a digital application. The project is conducted in partnership with *Agir pour l'École*. Eurazeo has already financed the equipment of 20 classes of the 19th arrondissement of Paris, Calais and Evry with educational materials and tablets, allowing more than 600 children benefit from this learn-to-read project since 2015.

A second program has been developed in the form of tutoring with the *Apprentis d'Auteuil*. It allows pupils to receive personalized help with their homework. Since the start of the 2015-2016 school year, more than 70 pupils have benefited from this unique tutoring.

Foster the commitment of young graduates and provide school equipment

In 2016, Eurazeo broadened its social commitment by supporting *Teach for France*, which advocates an original idea to foster greater equality in schools. The association offers young volunteer graduates the chance to fill vacancies in France's Education Department in schools located in priority education networks. The class of 2016 has 29 students, who are now working in middle schools in the Seine-Saint-Denis and Val-de-Marne departments.

The second initiative, *Les cartables garnis* (Full school bags), set up with *Agence du Don en Nature* (ADN) allowed Eurazeo to donate essential school supplies for the 2016-2017 school year to more than 8,000 children from families experiencing great hardship.

Lastly, the *Martine Aublet Foundation* received Eurazeo's financial support to fund scholarships for doctoral students.

Eurazeo has also maintained its long-standing commitments to several organizations such as *Institut Gustave Roussy*, the leading center in the fight against cancer in Europe, and *Human Rights Watch*, an international NGO whose purpose is to promote and act in favor of the defense of human rights. Virginie Morgon, Deputy CEO of Eurazeo, is a member of the *Human Rights Watch* Support Committee in Paris.

2004 Beginning of Eurazeo's sponsorship	**€3m** devoted to NGOs	**19** NGOs supported by Eurazeo	**4 years** Average duration of support to an NGO
2015 Start of the Eurazeo Education Program	**€0.7m** devoted to education	**6** NGOs working in the field of education	**8,815** Children and young people benefiting from the education program

Financial support *(in thousands of euros)*	2016 Eurazeo SA
Amount allocated to social and educational patronage	345
Amount allocated to think-tanks, forums and institutions	232
Amount allocated to cultural patronage	28
Amount allocated to professional bodies	114
Total amounts allocated	**719**

Eurazeo and its subsidiaries together also allocated more than €700,000 to associations and NGOs and supported a total of 61 organizations in 2016.

The economic and social unit formed by Asmodee in France launched ASMO'DAY in 2016, organizing a solidarity operation in partnership with *Agence du Don en Nature* (ADN). Fourteen Asmodee France employees were involved in the initiative, which saw nearly 7,400 games distributed to disadvantaged children in partnership with local associations.

Léon de Bruxelles has partnered with *Action Enfance* for over eight years, providing total support of more than €350,000. The association provides a home for children (brothers and sisters) at risk, and protects and educates them from early childhood to adulthood. In 2016, the sale of "mold clips" by Léon de Bruxelles restaurant teams raised nearly €17,000 for the association.

In 2016, Péters Surgical donated more than 7,000 products. Some of these donations went to *Chaîne de l'Espoir*, a French NGO that helps needy children in France and internationally by providing them with access to medical care. Other donations were sent to a humanitarian organization in Rwanda.

In 2014, Desigual launched eDuo, its sales training program that combines theoretical training in school with practical training in stores. In the same year, Desigual signed a tripartite agreement with the government of Catalonia, three vocational secondary schools and a local NGO partner. The first beneficiaries were mostly students at risk of social exclusion. Seventeen students graduated in 2016; eight of them were hired in the Desigual stores in Barcelona.

Photography patronage

In 2016, the seventh edition of the Grand Prix, "A photographer for Eurazeo," took the theme of "New Horizons."

The competition, created in 2010, rewards the work of a professional or student photographer on a given theme.

For over 10 years, Eurazeo has provided support for photography, notably through the acquisition of original works displayed on Eurazeo premises and featured in our Annual Report.

2.5.3 SUB-CONTRACTORS AND SUPPLIERS

Inclusion of social and environmental issues in the procurement policy

Responsible procurement policy

Intellectual services account for more than 50% of Eurazeo SA's purchases, followed by equipment, office supplies and services, and transportation. All paper consumed is sourced from forests certified for their sustainable management.

During due diligence, Eurazeo pays particular attention to the purchasing policy, and to compliance with the conventions of the International Labour Organization (ILO) across the entire supply chain, conducting reviews adapted to the challenges and risks specific to each industry.

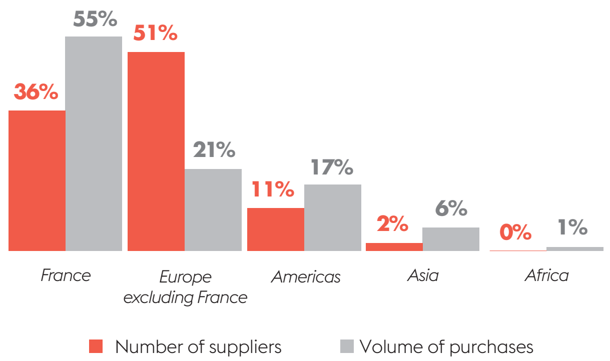
Responsible procurement is one of the key areas that Eurazeo has sought to strengthen in its portfolio companies. For this purpose, a specific "responsible procurement" working group has been offered to companies since 2015. Depending on the relevant issue, the responsible purchasing working group brings together the purchasing managers, legal counsels and CSR managers of all portfolio companies. It met twice in 2016. The topics addressed were the means of monitoring the implementation of a responsible purchasing process (questionnaires and audits) and mapping and analysis of the "materiality" of supplier and raw material risks.

As part of this working group, Eurazeo SA also formalized the integration of CSR issues into its purchasing policy by establishing a business relationship code of conduct in cooperation with a specialized law firm. Serving as the framework established by Eurazeo for all business relationships, it contains 16 commitments bearing on human rights, respect for the environment and business ethics. At a dedicated meeting, the code was made available to portfolio companies. At the end of 2016, seven companies of the 12 included in the regulatory reporting scope had already established a business relationship code of conduct.

For the third consecutive year, dedicated responsible purchasing indicators were included in CSR reporting. This reporting notably allows a survey of suppliers based on their number, the volume of the relevant purchasers and their geographical breakdown.

Suppliers' geographical breakdown

Eurazeo and its subsidiaries



ANF Immobilier ensures the mainstreaming of CSR challenges throughout the life cycle of real estate projects. The responsible purchasing charter written in 2015 was distributed among the Company's biggest suppliers in 2016. It serves as the framework for relationships between the Company and its business partners, and must be signed by both parties when concluding or renewing a contract. To take account of specific aspects resulting from real estate activity, a work and site charter for the preservation of the environment and the well-being of people has also been set up, and a rental and technical management charter for managers has been established to promote the sustainable management of buildings.

Dessange International launched its *Positive Sourcing Phytodess* approach to responsible sourcing of natural raw materials in 2015. This approach has allowed the establishment of a Positive Sourcing charter assessing potential "supplier risk" in respect of CSR, and the adoption of a questionnaire to incorporate CSR criteria into the selection and evaluation of suppliers. The *Positive Sourcing* approach continued in 2016 with the assessment of 75% of supply chains, the drafting of an audit grid and the signing of the Positive Sourcing charter by 60% of the suppliers in the program.

Groupe Flash has an extensive network of transportation providers, and aims to build lasting relationships based on trust. A recent survey highlighted a low rate of supplier turnover and a high level of satisfaction – more than 74% – with their relationship with Groupe Flash. The Group also considers that it has a responsibility to its transportation providers, paying particularly close attention to payment terms. Groupe Flash provides them with a portal offering operational training on good driving practices, safety rules, navigation, the use of equipment or risk of accidents and theft. Suppliers are selected on the basis of several criteria including country, price and quality of previous transportation. Lastly, Groupe Flash promotes the use of suppliers complying with the latest European standards in terms of CO_2 emissions.

Importance of subcontracting

Eurazeo does not subcontract in the normal course of its business.

2.5.4 FAIR TRADE PRACTICES

Actions taken in the fight against corruption

The application of best practice in terms of ethics is a commitment under **Eurazeo**'s responsible shareholder policy. It is part of a process aimed at developing a robust and exemplary governance model. In this process of continual improvement, Eurazeo encourages its portfolio companies to implement best practice in the detection and prevention of fraud and corruption. At the end of 2016, eight companies of the 12 included in the regulatory reporting scope had established Codes of Ethics or professional conduct.

Eurazeo has prepared a guide to anti-fraud and anti-corruption best practice. It provides a reference framework, and aims to help portfolio companies build a culture of integrity by training staff on the ethical conduct expected of them. It also serves as a methodological tool in the implementation of anti-fraud mechanisms.

In 2015, Eurazeo published a Code of Ethics that includes commitments on compliance with and support for human rights. Eurazeo ensures compliance with ethical principles governing its activities, and is committed to upholding the highest standards in the conduct of its business. Eurazeo further seeks to raise awareness of ethical behavior among staff and stakeholders.

The Code of Ethics addresses Eurazeo's commitment to employees (respect for people, privacy, declaration of conflicts of interest, political and charitable activities, lobbying, fight against corruption and money laundering, etc.), but also with regard to its business partners, shareholders and investments. It also identifies the various issues and situations that employees and stakeholders are liable to face, indicating the procedure to follow and whom to contact. The Code of Ethics has been signed by all Eurazeo employees; it is available to all stakeholders on the www.eurazeo.com website.

Fintrax carries out its operations in accordance with the Group's policies related to business ethics, anti-bribery, anti-corruption and anti-money laundering. The Group also has a whistleblowing policy that ensures efficient and secure communication channels. Mandatory training in these policies is being deployed.

Péters Surgical has established a charter of good business practices, circulated to all sales and marketing staff, to formalize its commitment to conducting its activities ethically and responsibly. Péters Surgical is committed to upholding this charter throughout the Group in France and internationally, and to sharing its principles with customers.

> Keen to be a partner recognized for its practices in ethics and compliance, **Novacap** manages its activities through a Compliance Committee. Key actions already undertaken by the committee include the implementation of a training program on all sites on the code of conduct and the performance of non-compliance risk mapping.
>
> In 2016, **Orolia** published its Code of Ethics, which covers its commitments in the fight against corruption and in favor of human rights. Orolia has strengthened its zero-tolerance policy in relation to corruption and fraud, and undertaken to act professionally, fairly and with integrity in all its business dealings.

Measures in favor of the health and safety of consumers and customers

The management of safety risks is a priority for **Groupe Colisée**, and notably involves the identification and prioritization of risks, the search for the cause when risks materialize, the implementation of action plans and the assessment of risk management processes. A number of tools have been developed to help network facilities manage their risks. They include a crisis management procedure, an adverse event management procedure, tools and procedures regarding the risks related to health and hygiene, a self-assessment tool regarding risks related to the circuit of drugs, and procedures related to public building status.

At **Léon de Bruxelles**, mussel suppliers are certified in accordance with a framework specific to the Group, built on the basis of a quality management system and detailed specifications. Hygiene audits are conducted at least four times a year in each restaurant by a specialized provider. The process includes sampling of products within restaurants. Internal audits designed to verify compliance with indoor and cooking processes are included in these procedures. Hygiene training is also provided in restaurants and in the Léon de Bruxelles training school.

Action taken in favor of human rights

Eurazeo SA's code of conduct in respect of business relations commits the Group's business partners to respect for human rights in the employment relationship. Partners undertake to promote, respect and enforce human rights in the context of their professional activities. They must ensure that the working conditions of their employees comply with applicable local and international laws. In particular, business partners must undertake to prohibit child labor, forced labor or slavery, to pay fair compensation, to establish decent working hours, to ensure the absence of discrimination, harassment and inhuman treatment, to protect health and to ensure health and safety in the workplace.

At **Groupe Flash**, transportation providers are periodically required to provide a certificate of payment of social security contributions and to comply with the minimum wage in the country concerned. This certificate is also required at the beginning of any contractual relationship between the Group and a transportation providerr.

Fintrax conducts most of its business in countries with low risk of human rights abuses. It has nevertheless adopted a policy to ensure compliance with UK law against modern slavery in its operations around the world. The obligations under this regulation apply to Fintrax's entire supply chain.

2.6 METHODOLOGY

As a listed company, Eurazeo is required to provide consolidated CSR reporting, including all of its portfolio companies across 100% of its consolidated financial scope, in respect of fiscal 2016. Thus, all majority-owned portfolio companies participate in CSR reporting.

Eurazeo's reporting is part of its overall CSR approach, which goes beyond regulatory obligations. The annual CSR reporting campaign is organized in several stages stretching from October to May: (1) preparation of reporting; (2) collection and verification of data; (3) consolidation and auditing of data; (4) publication of reporting; (5) sharing of results with investment teams and the management teams of portfolio companies; and (6) drafting and monitoring of action plans.

The CSR reporting methodology used in 2016 is in material respects the same as in 2015.

For questions concerning Eurazeo's CSR report, please contact rse@eurazeo.com.

2.6.1 REPORTING SCOPE

Period and frequency

The report covers the calendar year from January 1 to December 31, 2016. Eurazeo's CSR report has been included in its Registration Document every year since 2011.

Scope

The reporting focuses on Eurazeo SA and the majority-owned companies present in its portfolio from January 1 to December 31, 2016, in accordance with the rule laid down in the Grenelle II law.

The indicators consolidate the data for Eurazeo and its portfolio companies. Information relating to Eurazeo SA is presented separately for clarity. Reference to "Eurazeo SA" covers Eurazeo's activity in France; it excludes Eurazeo PME.

Reference to "Eurazeo and its subsidiaries" includes the following companies: Eurazeo SA (operations in France), **ANF Immobilier, Asmodee** (operations in France, the United Kingdom and the United States), **CIFA** (excluding social and governance indicators), **Fintrax** (operations in Ireland and the United Kingdom), **Eurazeo PME, management company and its subsidiaries, Groupe Colisée** (operations in France), **Dessange International** (operations in France and the United States), **Groupe Flash** (operations in France, Germany, Luxembourg, Poland and the Netherlands), **Léon de Bruxelles, Péters Surgical** (operations in France and Thailand) and **Vignal Lighting Group** (operations in France and the United States).

The 2016 reporting scope includes the following changes compared with 2015: due to its divestment, Foncia is no longer part of the scope; CIFA, Groupe Flash and Fintrax have been consolidated for the first time. These changes preclude trend analysis between 2015 and 2016.

The rules for the inclusion of disposals and acquisitions are identical for Eurazeo's reporting and the reporting of contributing investments:

- disposals made during the course of the year are removed from the 2016 reporting scope;
- acquisitions made during the course of the year are not taken into account in reporting in respect of 2016. They will be included in 2017 reporting;
- reporting is broken down by entity; each entity is responsible for producing its non-financial data.

The following companies performed trial CSR reporting in 2016: Orolia, MK Direct and Novacap. Accordingly, all companies majority owned by Eurazeo and Eurazeo PME performed CSR reporting. The data of the companies performing trial reporting are not consolidated in this report.

In addition to regulatory reporting obligations, the most relevant information and best practices of portfolio companies performing trial reporting (see previous paragraph) or companies outside Eurazeo's Grenelle II law reporting scope (AccorHotels, Desigual, Elis, Europcar, Moncler and Neovia) were included in this report in boxed text.

The 2016 Grenelle II law reporting scope ("Eurazeo and its subsidiaries") covers a total of 12 companies, breaking down into 27 separate entities in 10 countries, involving approximately 86 contributors.

2.6.2 ORGANIZATION OF REPORTING

The reporting approach is set out in a protocol customized by each company.

Data collection

In every company, the relevant departments manage the collection of non-financial data. Eurazeo's CSR Department subsequently coordinates the process and consolidates the information.

Reporting tool

To collect and consolidate non-financial information, Eurazeo used an online collection, processing and consolidation tool for quantitative and qualitative data. The CSR reporting tool sets out the indicators in four areas: environmental impact, social and societal impact, purchasing, and governance.

Data control, consolidation and verification

In each company, unit managers carry out the necessary checks to ensure the accuracy and reliability of the data. Local managers perform initial validation of the data using the reporting software. The software also contains the data from previous years to facilitate consistency checks, with an alert system when a 10% variation appears between the current year and the previous year. Each indicator is accompanied by a precise definition in French and English.

At Eurazeo, several internal controls have been established to ensure data reliability:

- consistency check with the data of the previous year;
- automatic calculation of ratios and totals in the software;
- comparison with market and/or external data.

Lastly, the consolidated data are also subject to consistency checks on consolidation. PwC, a Statutory Auditor appointed as an independent body by Eurazeo, reviewed the CSR information published in this report. Its opinion is provided in Section 2.7, p. 147.

2.6.3 CHOICE OF INDICATORS

Eurazeo's choice of CSR indicators is aimed at achieving two main objectives: managing the CSR performance of Eurazeo and its portfolio companies, and meeting reporting obligations as laid down by the Grenelle II law. The indicators are reviewed annually in a process of continuous improvement and to ensure the relevance of the indicators for the businesses conducted by Eurazeo and its portfolio companies. In 2016, Eurazeo's reporting framework comprised nearly 160 quantitative and qualitative indicators.

The indicators formulated as yes/no questions are consolidated in accordance with one of the following two methods: (1) the answer is deemed to be "yes" for a company when units responding "yes" within the Company represent more than 50% of its reference scope (revenue for environmental indicators and total workforce for social indicators); or (2) only the holding company's response is taken into account.

Frameworks used

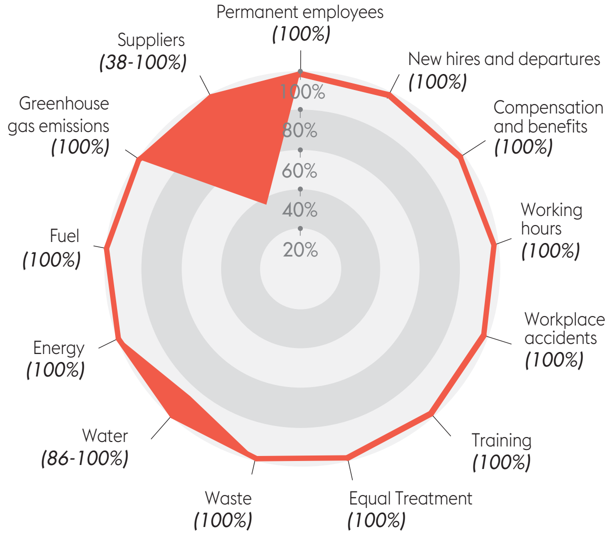
The indicators were defined by Eurazeo in accordance with the Grenelle II law requirements in collaboration with the Statutory Auditors and the portfolio companies. Eurazeo also took into account the Global Reporting Initiative (GRI) and the Advanced Level of the United Nations Global Compact. A cross-reference table (see p. 422) details references to the different standards used: Grenelle II law, GRI 4, Global Compact Advanced Level and AFIC ESG charter.

2.6.4 COVERAGE RATE

The data cover all or part of the total scope. For this reason, a coverage rate is calculated for each indicator. It is calculated on the basis of a reference scope completed by each reporting entity: revenue (environmental component), total workforce (social component) and total purchases (purchasing component). For each indicator, the contributor enters the scope covered, which allows the coverage rate to be calculated (equal to the scope covered divided by the reference scope). Thus, when data are not available for an entity, its coverage rate is 0%.

Some indicators are not applicable to the business lines of certain entities that have no industrial activity. The entities for which these indicators are not applicable are removed from the associated coverage rates.

2016 CSR REPORTING: COVERAGE RATES BY TOPIC FOR THE SCOPE DEFINED BY THE GRENELLE II LAW FOR EURAZEO AND ITS SUBSIDIARIES



2.6.5 METHODOLOGICAL DETAILS AND LIMITATIONS

The methods used to calculate some indicators may have limitations due to:

- the absence of internationally recognized definitions (*e.g.* status or types of employment contracts);
- the limited availability and/or absence of certain underlying data required for calculations, creating the need for estimates;
- difficulties in collecting data.

When information is not available within the time limit, the most realistic estimate possible must be made. Estimated data must be clearly identified as such, and the methodology used to make estimates explained in the collection tool. Several methods may be adopted, including:

- estimate of information over the closest known rolling 12-month period to the closing date;
- estimate of information known partially for the period closest to the period under review extrapolated to reflect a period of 12 months;
- extrapolation based on a close reference or from a known and comparable sub-sample or the previous year.

2.7 REPORT OF ONE OF THE STATUTORY AUDITORS DESIGNATED AS INDEPENDENT THIRD-PARTY, ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PRESENTED IN THE MANAGEMENT REPORT

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditor of Eurazeo SA, appointed as an independent third party and certified by COFRAC under number 3-1060[1], we hereby report to you on the Consolidated social, environmental and societal information for the year ended December 31, 2016, presented in the Management Report (hereinafter the "CSR Information"), in accordance with Article L. 225-102-1 of the French Commercial Code (*Code de commerce*).

RESPONSIBILITY OF THE COMPANY

The Chairman of the Executive Board is responsible for preparing the Company's Management Report including with the provisions of Article R. 225-105-1 of the French Commercial Code (*Code de commerce*) and with the 2016 CSR reporting (hereinafter the "Guidelines''), summarized in the Management Report in Section 2.6 "Methodology" and Company's head office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the French Code of Ethics governing the audit profession and the provisions of Article L. 822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with ethical rules, and applicable legal and regulatory texts.

RESPONSIBILITY OF THE STATUTORY AUDITOR

On the basis of our work, it is our responsibility to:

- certify that the required CSR Information is presented in the Management Report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Statement of completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

Our work was carried out by a team of six people between October 2016 and March 2017 and took around four weeks. We were assisted in our work by our specialists in corporate social responsibility.

We performed the procedures described below in accordance with the decree of May 13, 2013 determining the conditions in which the independent third party performs its engagement and the professional standards of the National Society of Auditors applicable to this engagement and with ISAE 3000 concerning our conclusion on the fairness of the CSR Information[2].

(1) The scope is available at site www.cofrac.fr.
(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

I. STATEMENT OF COMPLETENESS OF CSR INFORMATION

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we reviewed the Company's sustainable development strategy with respect to the labor and environmental impact of its activities and its social commitments and, where applicable, any initiatives or programs it has implemented as a result.

We compared the CSR Information presented in the Management Report with the list set out in Article R. 225-105-1 of the French Commercial Code.

For any consolidated Information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R. 225 105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, *i.e.*, the Company, its subsidiaries as defined by Article L. 233-1 and the entities it controls as defined by Article L. 233-3 of the French Commercial Code within the limitations set out in the methodological information presented in Section 2.6 of the Management Report.

Conclusion

Based on this work and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the Management Report.

II. CONCLUSION OPINION ON THE FAIRNESS OF THE CSR INFORMATION

Nature and scope of our work

We conducted around ten interviews with the persons responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account best practices where appropriate;
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the CSR Information and review the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information with respect to the characteristics of the Company, the social and environmental challenges of its activities, its sustainable development policy and best practices.

With regard to the CSR Information that we considered to be the most important [(1)]:

- at parent entity level, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organization, policy, action), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in concordance with the other information in the Management Report;
- at the level of a representative sample of entities selected by us [(2)] on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to ensure that procedures are followed correctly, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The sample selected in this manner represents an average of 50% of headcount considered as material data of social issues, and 36% of turnover considered as material data of environmental issues.

For the other consolidated CSR Information, we assessed consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgment, allow us to express limited assurance; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other limitations intrinsic to the operation of information and internal control systems, we cannot provide absolute assurance that the CSR Information disclosed is free of material misstatement

(1) The CSR Information that we considered to be the most important is specified in the annex to this report.
(2) Eurazeo SA, ANF Immobilier, Groupe Colisée, Péters Surgical France, Vignal Lighting Group.

Conclusion

Based on this work, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

Neuilly-sur-Seine, 28th March 2017

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Clavié	**Sylvain Lambert**
Partner	Partner in the Sustainable Development Department

ANNEX: LIST OF CSR INFORMATION THAT WE CONSIDERED THE MOST IMPORTANT

Quantitative social information

- Permanent workforce as of December 31, 2016 (number of employees, percentage of women, percentage of managers) and percentage of employees with permanent employment contracts in the workforce
- Hires and departures (by reason)
- Organization of working hours: part-time/full-time employee breakdown, absenteeism rate
- Total number of training hours and percentage of employees who attended at least one training course during the year
- Equal treatment and promotion of diversity Percentage of women in the permanent workforce, in the Supervisory Boards and in top decision-making body

Qualitative social information

- Training policies implemented
- Labor relations
- Occupational Health and Safety
- Measures to promote the integration of people with disabilities

Quantitative environmental information

- Water consumption and local water supply constraints
- Energy (total energy, renewable energy, electricity, natural gas, fuel oil, and other energy sources) and fuel (gasoline and diesel fuel) consumptions
- Significant sources of greenhouse gas emissions generated due to the Company's activity, including the use of the goods and services it produces (including indicators Scopes 1 and Scope 2 greenhouse gas emissions)

Qualitative environmental information

- Waste prevention, recycling, reuse, other forms of recovery and disposal
- Measures taken to improve energy efficiency and use of renewable energies

Qualitative and quantitative societal information

- Territorial, economic and social impact of the activity
- Conditions of stakeholder dialog
- Inclusion of social and environmental issues in the purchasing policy
- Fair trade practices – Actions taken in the fight against corruption

Sunrise #07

3

GOVERNANCE

3.1 MANAGEMENT AND SUPERVISORY BODIES

3.1.1 ROLE AND ACTIVITIES OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

3.1.1.1 Duties

At the Shareholders' Meeting of May 15, 2002, Eurazeo adopted a corporate governance structure comprising an Executive Board and a Supervisory Board.

The Supervisory Board oversees the Company's management in accordance with applicable laws and regulations and the Company's Bylaws. Its distinguished members meet as frequently as the Company's interests require, and at least once a quarter.

Managerial functions are carried out by the Executive Board, which meets at least once a month.

The Executive Board is vested with the most extensive powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly attributed by law and the Company's Bylaws. Members of the Executive Board may, with the authorization of the Supervisory Board, divide management tasks among themselves. This division of tasks may, under no circumstances, cause the Executive Board to lose its status as the governing body responsible for the collective management of the Company.

The Executive Board meets as often as required in the best interests of the Company.

Throughout the year, the Supervisory Board performs the checks and controls it deems appropriate, and may request any document it considers necessary to carry out its duties.

The Executive Board submits a monthly report to the Chairman of the Supervisory Board on the Company's investments, cash position, transactions and debt, if any.

In accordance with the Company's Bylaws, the Executive Board submits a report to the Supervisory Board at least once every quarter on the Company's main managerial acts and decisions, including all information needed to keep the Supervisory Board aware of developments in the Company's business, along with the separate quarterly financial statement. The separate and consolidated interim and annual financial statements are also examined by the Supervisory Board.

Within the prescribed regulatory time limit following the end of each fiscal year, the Executive Board submits the separate annual financial statements, consolidated financial statements and its report to the Shareholders' Meeting to the Supervisory Board for check and control. The Supervisory Board reports its observations on the Executive Board's report and the separate and consolidated annual financial statements to the Shareholders' Meeting.

3.1.1.2 Activity report

Eurazeo's Supervisory Board met eight times in 2016, with an average attendance rate of 81.73%.

The Supervisory Board is assisted in its decisions by four specialized committees, the Audit Committee, the Finance Committee, the Compensation and Appointment Committee and the Corporate Social Responsibility (or CSR) Committee, the activities of which are presented in Section 3.1.4 of this Registration Document.

Eurazeo's Executive Board met 24 times in 2016, with an average attendance rate of 100%.

The main issues discussed by the Executive Board in 2016 concerned (i) the monitoring of subsidiaries and investments, (ii) the investment and divestment decisions proposed by the Executive Committee, (iii) the installation and roll-out of Eurazeo in the United States through the opening of the New York office (iv) the creation of the Eurazeo Capital II co-investment fund, (v) the review and approval of the 2015 separate and consolidated financial statements, the 2016 budget, the 2016 half-year and quarterly accounts and financial projections for 2017 and (vi) Eurazeo's compensation policy and more generally issues relating to the organization of the Company.

3.1.1.3 Self-assessment of the activities of the Supervisory Board

Since the end of 2009, every three (3) years, in accordance with the recommendations of the Corporate Governance Code as revised in November 2016 by AFEP and MEDEF (hereinafter the "AFEP-MEDEF Code"), the Company performs a formal appraisal of the composition, organization and activities of the Supervisory Board with the assistance of an independent external consultant. The summary report of the most recent assessment performed in 2015 gave a very positive assessment of the composition and activities of the Supervisory Board.

This assessment highlighted (i) that the majority of recommendations made following the 2012 assessment have been implemented and (ii) a significant improvement in the composition, organization and activities of the Supervisory Board since the last assessment in 2012. A number of possible improvements were however identified, which Eurazeo has notably reflected in the proposed resolutions on the composition of the Supervisory Board submitted for the approval of the Shareholders Meeting of May 11, 2017. The appointment of Mrs. Anne Dias to the Supervisory Board will, if approved by the Shareholders' Meeting of May 11, 2017, allow the following objectives identified in the report to be attained:

- the attainment of the rate of 40% of female members on the Supervisory Board;
- the continuation of efforts to diversify the profiles of Supervisory Board members, with international profiles as the focus of change;
- a decrease in the average age of members of the Supervisory Board.

With regard to changes in its composition, the Supervisory Board was involved at a very early stage in the selection and renewal process for its members. It was informed of and debated as early as its meeting of July 27, 2016, the renewal of the terms of office expiring in 2017 and the appointment of Anne Dias as a member of the Supervisory Board; Anne Dias then met with each of the members of the Compensation and Appointment Committee followed by the Chairman of the Supervisory Board.

Eurazeo also implemented a certain number of measures enabling communication of the annual schedule of Supervisory Board meetings earlier and of committee minutes prior to Supervisory Board meetings.

In accordance with the recommendations of the AFEP-MEDEF Code, a new formal assessment of the Supervisory Board will be performed in 2018, under the supervision of the Compensation and Appointment Committee and with the assistance of an independent external expert.

3.1.2 EXECUTIVE BOARD

3.1.2.1 Composition of the Executive Board

	Business address	Position at Eurazeo
Mr. Patrick Sayer	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	CEO
Mrs. Virginie Morgon	C/o Eurazeo 1, rue Georges Berger – 75017 Paris C/o Eurazeo North America Inc. 745 Fifth Avenue - 10151 New York (USA)	Deputy CEO
Mr. Philippe Audouin	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Member of the Executive Board Chief Financial Officer

3.1.2.2 Offices and positions – Management experience of members of the Executive Board

Members of the Executive Board as of December 31, 2016

PATRICK SAYER — CEO – CHAIRMAN OF THE EXECUTIVE BOARD OF EURAZEO *

Age and nationality
11/20/1957 [59]
French
End date of term of office
2018

OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held in the Eurazeo group

Member of the Supervisory Board of ANF Immobilier * and Europcar Groupe *.
Director of AccorHotels *.
Member of the Board of Directors of I-Pulse (USA).
Managing Director of Legendre Holding 19.
Chairman of Legendre Holding 25, Legendre Holding 26, CarryCo Capital 1, CarryCo Croissance and CarryCo Croissance 2.

Offices and positions currently held outside the Eurazeo group

Member of the Board of Directors of Tech Data Corporation (USA) *.

Other offices and positions held over the past five years

Member of the Supervisory Committee of Foncia Holding.
Manager of Investco 3d Bingen (partnership).
Vice-Chairman of the Supervisory Board of Rexel.
Chairman and Vice-Chairman of the Supervisory Board of ANF Immobilier,
Chairman of the Supervisory Board of Europcar Groupe.
Chairman of the Board of Directors and Director of Europcar Groupe and Holdelis.
Director of Moncler Srl (Italy), Sportswear Industries Srl (Italy), Edenred, Rexel, Gruppo Banca Leonardo (Italy).
Managing Director of Immobilière Bingen and Legendre Holding 8.
Chairman of Eurazeo Capital Investissement.
Member of the Advisory Board of APCOA Parking Holdings GmbH (Germany).

MANAGEMENT EXPERTISE

Patrick Sayer has been Chairman of the Executive Board of Eurazeo since May 2002. He was previously Managing Partner of Lazard Frères & Cie in Paris, and Managing Director of Lazard Frères & Co. in New York.
A former Chairman of the French Association of Investors for Growth (*Association Française des Investisseurs pour la Croissance* – AFIC), he is also Director of the Museum of Decorative Arts in Paris, and teaches finance (Master 225) at the University of Paris Dauphine.
A member of the Club des Juristes think-tank, he is also a consular magistrate of the Commercial Court of Paris.
Patrick Sayer is a graduate of École Polytechnique and École des Mines in Paris.

* *Listed company.*

VIRGINIE MORGON — DEPUTY CEO – MEMBER OF THE EXECUTIVE BOARD OF EURAZEO *

Age and nationality
11/26/1969 [47]
French

End date of term of office
2018

OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held in the Eurazeo group

President of Eurazeo North America Inc. (USA)
Chairwoman of the Supervisory Board of Eurazeo PME.
Chairwoman of the Supervisory Board of Asmodee Holding.
Chairwoman of Legendre Holding 44 (Fintrax) and Legendre Holding 47 (Les Petits Chaperons Rouges).
Vice-Chairwoman of the Board of Directors of Moncler SpA * (Italy).
Director of Abasic SI (Desigual, Spain).
Member of the Supervisory Board of Grandir (Les Petits Chaperons Rouges).
Chairwoman of Legendre Holding 43 (PeopleDoc).

Offices and positions currently held outside the Eurazeo group

Director of L'Oréal *.
Member of the Supervisory Board of Vivendi *.

Other offices and positions held over the past five years

Chairwoman of the Board of Directors of Broletto 1 Srl (Italy).
Chairwoman of the Supervisory Board of Apcoa Parking AG (Germany).
Chairwoman of the Advisory Board of Apcoa Parking Holdings GmbH (Germany).
Chairwoman of the Supervisory Board of OFI Private Equity Capital (now Eurazeo PME Capital).
Chairwoman and member of the Supervisory Board of Elis.
Chairwoman of the Board of Directors of Holdelis.
Chairwoman of Legendre Holding 33 (now Asmodee Holding), Legendre Holding 45 (Fintrax) and Legendre Holding 46 (now Grape Hospitality France).
Managing Director of Apcoa Group GmbH (Germany).
Managing Director of LH Apcoa.
Manager of Euraleo (Italy) and Intercos SpA (Italy).
Director of Edendred, AccorHotels, Sportswear Industries Srl (Italy), Holdelis and Women's Forum (WEFCOS).

MANAGEMENT EXPERTISE

Virginie Morgon has been a member of Eurazeo's Executive Board since January 2008 and Deputy CEO since March 2014. She is also President of Eurazeo North America Inc. (USA).

Managing Partner at Lazard Frères et Cie in Paris from 2000 to 2007, after having worked as an investment banker at Lazard in New York and London since 1992, Virginie Morgon was in charge of Lazard's Food, Retail, and Consumer Goods sector for Europe.

In the 15 years spent at Lazard, she advised numerous companies, including Air Liquide, Danone, Kingfisher/Castorama, Kesa/Darty and Publicis, and established close ties with their senior executives.

She is Vice-Chair of the Human Rights Watch Council Paris Committee.

Virginie Morgon is a graduate of the Institut d'Études Politiques of Paris (majoring in Economics and Finance) (1990), and has a master's degree in economics and management (MIEM) from the University of Bocconi (Milan, Italy) (1991).

* *Listed company.*

PHILIPPE AUDOUIN | CHIEF FINANCIAL OFFICER – MEMBER OF THE EXECUTIVE BOARD OF EURAZEO*

Age and nationality

04/03/1957 [60]

French

End date of term of office

2018

OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held in the Eurazeo group

Member of the Supervisory Board of ANF Immobilier *, Elis *, Eurazeo PME and Europcar Groupe *.

Chairman of LH APCOA, Legendre Holding 19, Legendre Holding 21, Legendre Holding 27, Legendre Holding 29, Legendre Holding 30, Legendre Holding 34, Legendre Holding 35, Legendre Holding 36, Legendre Holding 41, Legendre Holding 42, Eurazeo Patrimoine, Legendre Holding 51, LH CPK and LH Novacap.

Managing Director of Legendre Holding 23, Legendre Holding 25, CarryCo Capital 1 and CarryCo Croissance.

Chairman of the Supervisory Committee of Legendre Holding 28.

Director of Eurazeo Services Lux (Luxembourg).

Permanent representative of Eurazeo on the Board of Directors of SFGI.

Managing Director of Perpetuum MEP Verwaltung GmbH (Germany).

Other offices and positions held over the past five years

Vice-Chairman of the Supervisory Board of APCOA Parking AG (Germany).

Member of the Advisory Board of APCOA Parking Holdings GmbH (Germany).

Director of Holdelis and Europcar Groupe.

Managing Director of Legendre Holding 33, Legendre Holding 54, Legendre Holding 55, La Mothe, Eurazeo Capital Investissement and Eureka Participation.

Chairman of EP Aubervilliers, Legendre Holding 22, Legendre Holding 28, Ray France Investment, Immobilière Bingen, Legendre Holding 8, Legendre Holding 26, Legendre Holding 31 (now Les Amis d'Asmodee), Legendre Holding 32 (now Asmodee II), CPK, Novacap Group Bidco and Novacap Group Holding.

Manager of Eurazeo Italia (Italy).

MANAGEMENT EXPERTISE

Philippe Audouin joined Eurazeo in February 2002 as Chief Financial Officer and was appointed a member of the Executive Board in March 2006.

He began his career by forming and expanding his own company over a period of 10 years. After selling it, Philippe Audouin was Chief Financial Officer and Signing Officer ("Prokurist"), in Germany, of the first joint venture between France Telecom and Deutsche Telekom between 1992 and 1996.

From 1996 to 2000, he was Director of Finance, Human Resources, and Administration of France Telecom's multimedia division. He was also a member of the Supervisory Board of Pages Jaunes. From April 2000 to February 2002, he was the Chief Financial Officer of Europ@web (Arnault Group). He also taught at the HEC Business School for five years, working as a senior lecturer for third-year students in the Entrepreneurs program.

He is a member of the Issuers Committee of the French Financial Markets Authority (AMF) and Chairman of the DFCG, the national professional organization of French CFOs.

Philippe Audouin is a graduate of the Hautes Études Commerciales (HEC) business school.

* *Listed company.*

3.1.3 SUPERVISORY BOARD

3.1.3.1 Members of the Supervisory Board

	Business address	Position at Eurazeo
Supervisory Board member		
Mr. Michel David-Weill	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Chairman
Mr. Jean Laurent (1)	C/o Foncière des Régions 30, avenue Kléber – 75208 Paris Cedex 16	Vice-Chairman
Mr. Harold Boël	C/o SOFINA SA Rue de l'Industrie, 31 – B – 1040 Brussels Belgium	
Mrs. Anne Dias (3)	C/o Aragon Holdings 40 East Chicago Avenue – Suite 134 Chicago – IL 60611 (USA)	
Mrs. Anne Lalou	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	
Mr. Roland du Luart	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	
Mrs. Victoire de Margerie	C/o Rondol Industrie 8 Place de l'Hôpital – 67000 Strasbourg	
Mr. Michel Mathieu	C/o LCL 20, avenue de Paris – 94811 Villejuif Cedex	
Mrs. Françoise Mercadal-Delasalles	C/o Société Générale 189, rue d'Aubervilliers – 75886 Paris Cedex 18	
Mr. Olivier Merveilleux du Vignaux	C/o MVM Rue Ducale 27 – B – 1000 Brussels – Belgium	
Mrs. Stéphane Pallez (2)	C/o La Française des Jeux 126, rue Galliéni – 92643 Boulogne Billancourt	
Mr. Georges Pauget	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	
Mr. Jacques Veyrat (1)	C/o IMPALA SAS 4, rue Euler – 75008 Paris	
Mr. Christophe Aubut	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Employee representative
Honorary Chairman of the Supervisory Board		
Mr. Bruno Roger	C/o Lazard Frères 121, boulevard Haussmann – 75008 Paris	
Non-voting member		
Mr. Jean-Pierre Richardson	C/o Richardson 2, place Gantès – BP 41917 – 13225 Marseilles Cedex 02	

(1) Member whose reappointment is not proposed to the Shareholders' Meeting of May 11, 2017.
(2) Member whose reappointment is subject to approval by the Shareholders' Meeting of May 11, 2017.
(3) Member whose appointment is proposed to the Shareholders' Meeting of May 11, 2017.

As of the date of publication of this Registration Document, the Supervisory Board had thirteen members, including one member representing employees.

In accordance with the recommendations of the AFEP-MEDEF Code and having heard the opinion of the Compensation and Appointment Committee, the Supervisory Board reviewed its composition, its organization and its activities on December 8, 2016, examining in particular the percentage of independent members on the Supervisory Board through a review of the position of each member with regards to the criteria recommended by the AFEP-MEDEF Code.

Pursuant to the AFEP-MEDEF Code, a Supervisory Board member is considered to be independent if he or she:

- is not and has not been during the course of the previous five years:
  - an employee or executive corporate officer of the Company,
  - an employee, executive corporate officer of a company or a Director of a company consolidated within the Company,
  - an employee, executive corporate officer or a Director of the Company's parent company or a company consolidated within this parent;

- is not an executive corporate officer of a company in which the Company holds a directorship, either directly or indirectly, or in which an employee or executive corporate officer of the Company (currently in office or having held such office during the last five years) is a Director;
- is not a client, supplier, investment banker or corporate banker:
  - → material to the Company or its group of companies, or
  - → which derives a material portion of its business from the Company or its group of companies;
- is not bound by close family ties to a corporate officer;
- is not, and has not been within the previous five years, a statutory auditor of the Company;
- has not been a Director of the Company for more than 12 years.

In addition, the Supervisory Board took account of the recommendation of the AFEP-MEDEF Code which states that for major shareholders, holding over 10% of the share capital and voting rights of the Company, "the Board, based on a report of the Appointment Committee, should systematically consider the independent status taking account of the composition of the share capital of the Company and the existence of potential conflicts of interest".

The AFEP-MEDEF Code clarifies with respect to the business relationship criteria that "the assessment of the material nature of the business relationship with the Company or its group must be deliberated by the Board and the criteria underpinning the assessment explained in the Registration Document".

The Compensation and Appointment Committee meeting of November 25, 2016, assessed the material nature of any business relationships between certain members of the Supervisory Board and the Company.

It is recalled that the material nature of the business relationship must be assessed taking account of:

- qualitative criteria:
  - → potential economic dependence between parties,
  - → importance and nature of transactions,
  - → specific characteristics of certain contracts,
  - → position of the Director within the co-contracting company (decision-making power, division, etc.);
- quantitative criteria:
  - → amount of fees, commission and other remuneration paid by the Company to the co-contracting company,
  - → price of the service (market price).

The Compensation and Appointment Committee considered that when the amount paid by the Company to the contracting party is less than 10% of the total amount of fees, commission and remuneration paid during the year by the Company, the business relationship is not material. Above 10% of the total amount of fees, commission and remuneration paid by the Company, the business relationship will be considered material where this threshold is exceeded during three consecutive years, thereby demonstrating the long-term nature of the relationship.

In addition to these quantitative criteria, the Compensation and Appointment Committee considers qualitative criteria on an individual basis. In all events, a member of the Supervisory Board concerned by a business relationship, even not material, must not participate in discussions concerning issues relating to the co-contractor during Supervisory Board meetings. The application of these criteria enabled the Compensation and Appointment Committee to conclude that no member of the Supervisory Board is concerned by a material business relationship with the Company. The Supervisory Board closely examined the position of Françoise Mercadal-Delasalles. The Compensation and Appointment Committee highlighted that her duties in the Société Générale group do not involve the bank's financing or merger/acquisition activities which could concern Eurazeo. However, pursuant to the conflict of interest rules set out in the Supervisory Board's Internal Rules, she may not participate in any Supervisory Board meeting or discussions concerning a file involving Société Générale, irrespective of the amount concerned.

Anne Lalou's position was also closely examined by the Compensation and Appointment Committee on November 25, 2016. On her appointment to the Supervisory Board in May 2010, Anne Lalou was considered independent and she has always contributed to Supervisory Board meetings with impartiality and independence of mind. When she was appointed to the Supervisory Committee of Foncia Holding, the Supervisory Board preferred to no longer consider her as independent. The Remuneration and Appointment Committee and the Supervisory Board observed that Eurazeo no longer holds any investment in Foncia Holding since September 2016 and, as such, Anne Lalou can no longer be in a situation of conflict of interest with respect to Foncia Holding. Accordingly, the Supervisory Board meeting of December 8, 2016 considered that the duties previously exercised by Anne Lalou on the Foncia Holding Supervisory Committee were no longer a reason to withdraw her status as an independent member of the Eurazeo Supervisory Board as recognized on her appointment in May 2010.

In addition, as part of the review of her candidacy as a member of the Supervisory Board and at the recommendation of the Compensation and Appointment Committee, the Supervisory Board examined the position of Anne Dias with regards to the independence rules set out in the AFEP-MEDEF Code. The Supervisory Board concluded that Anne Dias should be considered as independent as she satisfies all the independence criteria set out in the AFEP-MEDEF Code.

INDEPENDENCE CRITERIA

	Not an employee or corporate officer	No cross-directorships	No business relationship	No family ties	Not the auditor or former auditor of the Company	Not a Director for more than 12 years*	Not a shareholder holding over 10% of the share capital	Independent
Michel David-Weill	■	■	■	■	■			
Harold Boël	■	■	■	■	■	■	■	■
Anne Dias **	■	■	■	■	■	■	■	■
Anne Lalou	■	■	■	■	■	■	■	■
Roland du Luart	■	■	■	■	■		■	
Victoire de Margerie	■	■	■	■	■	■	■	■
Michel Mathieu	■	■	■	■	■	■		
Françoise Mercadal-Delasalles	■	■	■	■	■	■	■	■
Olivier Merveilleux du Vignaux	■	■	■		■	■	■	
Stéphane Pallez ***	■	■	■	■	■	■	■	■
Georges Pauget	■	■	■	■	■	■	■	■
Christophe Aubut ****		■	■	■	■	■	■	

* *On the most recent renewal of the term of office in accordance with the AFEP-MEDEF Code.*
** *Subject to the adoption of the 6th resolution presented to the Shareholders' Meeting of May 11, 2017.*
*** *Subject to renewal of her term of office on the Supervisory Board by the Shareholders' Meeting of May 11, 2017.*
**** *Member representing employees.*

The application of all the above criteria led the Supervisory Board to qualify the following members as independent:

- Harold Boël;
- Anne Dias **;
- Anne Lalou;
- Victoire de Margerie;
- Françoise Mercadal-Delasalles;
- Stéphane Pallez ***; and
- Georges Pauget.

The Company therefore complies with the recommendations of the AFEP-MEDEF Code as, excluding the member of the Supervisory Board representing employees, seven out of a total of eleven members are independent, *i.e.* 63.6% of the members of the Supervisory Board at the end of Shareholders' Meeting of May 11, 2017, subject to the adoption of the 5th and 6th resolutions.

Pursuant to Article 11 of the Bylaws, Supervisory Board members must own a minimum of 250 shares.

This obligation is respected by all members of the Supervisory Board (see table in Section 3.3.1 p. 197).

Furthermore, the Supervisory Board Internal Rules require Supervisory Board members to hold a number of Eurazeo shares representing at least one year's attendance fees, that is, 750 shares, before the end of their term of office. As of December 31, 2016, Victoire de Margerie needed to acquire a further 250 shares in order to comply with this provision.

As of December 31, 2016, Supervisory Board members and the non-voting member together held a total of 69,305 shares, representing 0.0995% of the share capital and 0.1483% of voting rights.

3.1.3.2 Offices and positions – Management experience

MICHEL DAVID-WEILL CHAIRMAN OF THE SUPERVISORY BOARD

Age and nationality
11/23/1932 [84]
French
Date of first appointment
May 15, 2002
End date of term of office
2018

MAIN POSITION HELD EXCLUDING EURAZEO

Company Director.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Honorary Vice-Chairman of the Board of Directors of Groupe Danone *.

Other offices and positions held over the past five years

Director of Gruppo Banca Leonardo Spa (Italy).

Other information

Mr. Michel David-Weill is the father-in-law of Mr. Merveilleux du Vignaux.

MANAGEMENT EXPERTISE

Chairman of Lazard LLC until May 2005, Michel David-Weill was also Chairman and Chief Executive Officer of Lazard Frères Banque and Chairman and Managing Partner of Maison Lazard SAS.

Michel David-Weill is recognized as one of the foremost international investment bankers. He is Honorary Vice-Chairman of the Board of Directors of Groupe Danone.

In the United States, he is a member of the Board of Directors of the Metropolitan Museum of Art and a Director of the New York Hospital. In France, Michel David-Weill is a member of the Institut (Académie des Beaux-Arts) and Chairman of the Conseil Artistique des Musées Nationaux, and holds various positions in several arts and cultural organizations.

Michel David-Weill is a graduate of Lycée Français of New York and the Institut des Sciences Politiques.

* *Listed company.*

JEAN LAURENT (1) VICE-CHAIRMAN OF THE SUPERVISORY BOARD

Age and nationality
07/31/1944 [72]
French
Date of first appointment
May 5, 2004
End date of term of office
2017

MAIN POSITION HELD EXCLUDING EURAZEO

Chairman of the Board of Directors of Foncière des Régions*.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Chairman of the Board of Directors of Foncière des Régions* and Director of Beni Stabili* (Italian subsidiary of Foncière des Régions).

Lead Independent Director and Chairman of the Appointment and Compensation Committee of Groupe Danone*.

Other offices and positions held over the past five years

Member of the Supervisory Board of M6 Télévision.

Director of Crédit Agricole Egypt SAE.

Chairman of the Finance Innovation competitiveness cluster and Institut Europlace de Finance.

Director of Unigrains.

MANAGEMENT EXPERTISE

Jean Laurent has spent his entire career with the Crédit Agricole group, beginning with the Toulouse and then the Loiret and Île de France (Greater Paris) regional banks of Crédit Agricole, where he was directly involved in or supervised various retail bank businesses.

He then joined Caisse Nationale du Crédit Agricole, first as Deputy Managing Director (1993-1999), and then as Managing Director (1999-2005). In this role, he was responsible for the Crédit Agricole SA IPO (2001), followed by the acquisition and integration of Crédit Lyonnais in the Crédit Agricole group.

A Director of several companies, he is Chairman of the Board of Directors of Foncière des Régions.

Jean Laurent is a graduate of École Nationale Supérieure de l'Aéronautique (1967) and holds a Master of Science degree from Wichita State University.

* *Listed company.*
(1) *Member whose reappointment is not proposed to the Shareholders' Meeting of May 11, 2017.*

3

HAROLD BOËL

Age and nationality

08/27/1964 [52]

Belgian

Date of first appointment

May 12, 2016

End date of term of office

2020

MAIN POSITION HELD EXCLUDING EURAZEO

Chief Executive Officer of Sofina SA *.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Chief Executive Officer of Sofina SA * (Belgium).

Non-Executive Director of Biomérieux *, Mérieux Nutrisciences, Caledonia Investments plc * (United Kingdom), Société de Participations Industrielles (Belgium), United World Colleges asbl (Belgium) and Domanoy SA (Belgium).

Other offices and positions held over the past five years

Director of Oberthur Technologies SA, François Charles Oberthur Fiduciaire SA, Electrabel, Henex and Suez.

MANAGEMENT EXPERTISE

Harold Boël has held management positions in the iron and steel industry with Usines Gustave Boël, Corus MultiSteel and Laura Metaal Holding.

He is currently Chief Executive Officer of Sofina SA.

Harold Boël has an engineering degree in materials science from École Polytechnique Fédérale in Lausanne.

* *Listed company.*

ANNE LALOU

Age and nationality

12/06/1963 [53]

French

Date of first appointment

May 7, 2010

End date of term of office

2018

MAIN POSITION HELD EXCLUDING EURAZEO

Managing Director of La Web School Factory.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Managing Director of La Web School Factory.

Chairwoman of Innovation Factory.

Director of KORIAN-MEDICA SA * and Natixis *.

Other offices and positions held over the past five years

Member of the Supervisory Committee of Foncia Holding.

Director of SAS Nexity Solutions and KEA&Partners.

Member of the Supervisory Board of Foncia Groupe.

MANAGEMENT EXPERTISE

Anne Lalou, Managing Director of La Web School Factory, began her career as Signing Officer then Deputy Director within the Mergers and Acquisitions Department of Lazard, first in London and then Paris, before becoming Director of Forecasting and Development at Havas.

She was Chairwoman and Managing Director of Havas Edition Electronique before joining Rothschild & Cie as Manager.

She joined Nexity in 2002, where she held the offices of corporate secretary and Director of Development before taking over the General Management of Nexity-Franchises in 2006 and then becoming Deputy Managing Director of the Distribution Division of Nexity until 2011.

She is a graduate of the École Supérieure des Sciences Économiques et Commerciales (ESSEC) business school.

* *Listed company.*

ROLAND DU LUART

Age and nationality
03/12/1940 [77]
French

Date of first appointment
May 5, 2004

End date of term of office
2020

MAIN POSITION HELD EXCLUDING EURAZEO

Company Director.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Honorary senator and honorary member of Parliament.
Municipal Councilor of Luart.
Honorary Director of Automobile Club de l'Ouest.
Member of the Supervisory Board of Banque Hottinger & Cie.
Member of the Board of Directors of Aurea *.

Other offices and positions held over the past five years

Chairman of the Perche Sarthois Authority.
Vice-President of the Senate Finance Commission.
Member of the Senate delegation for Overseas Territories.
Member of the Senate's Special Commission in charge of auditing and internal assessment.
Member of the Financial Sector Advisory Committee.
Member of the National Commission for the Assessment of State Policies in Overseas Territories.
Member of the Advisory Committee on the State's property holdings.
Permanent member (for the Senate) of the Board of Directors of Public Establishment for Financing and Restructuring.

MANAGEMENT EXPERTISE

Roland du Luart was Senator for the Sarthe department from 1977 to September 2014, Vice-President of the Senate Finance, Budget and National Accounts Commission, Special Reporter for the "External Action of the State" Mission, Member of the Advisory Committee on the State's property holdings, Member of the Financial Sector Advisory Committee and Member of the Public Finance Advisory Committee.
He was the Mayor of Luart (1965-2001) and then Deputy Mayor (2001-2014), President of the Sarthe General Council (1998-March 2011), General Councilor for the Canton of Tuffé (1979-March 2011), Chairman of the Association of Mayors of the Sarthe department (1983-2008) and Chairman of the Pays de l'Huisne Sarthoise municipalities association (1996-March 2006).

* *Listed company.*

3

VICTOIRE DE MARGERIE

Age and nationality
04/06/1963 [54]
French

Date of first appointment
May 11, 2012

End date of term of office
2020

MAIN POSITION HELD EXCLUDING EURAZEO

Main shareholder and Chairwoman of Rondol Industrie.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Chairwoman of Rondol Industrie.
Vice-Chairwoman of World Materials Forum.
Director and Member of the Appointment, Compensation and Governance Committee of Arkema *.
Director and member of the Compensation and Appointment Committee and the Audit Committee of Babcock International *.
Member of the Supervisory Board of Banque Transatlantique.

Other offices and positions held over the past five years

Director of Norsk Hydro, Ciments Français, Morgan Advanced Materials, EcoEmballages and Italcementi.

MANAGEMENT EXPERTISE

Victoire de Margerie has been the main shareholder and Chairwoman of Rondol Industrie, a micro-mechanical SME, since 2012. She has also been Vice-Chairwoman of the World Materials Forum since 2015.

She previously held operational positions in Germany, France and the United States at Arkema, Carnaud MetalBox and Péchiney. Between 2002 and 2011, she also taught Strategy and Technology Management at the Grenoble Management School. She has held directorships in listed companies with Baccarat (1999-2006), Groupe du Louvre (2002-2005), Ipsos (2004-2006), Bourbon (2004-2007), Outokumpu (2007-2011), Ciments Français (2006-2012), Groupe Flo (2011-2012), Norsk Hydro (2012-2014), Morgan Advanced Materials (2012-2016) and Italcementi (2012-2016).

Victoire de Margerie is a graduate of the École des Hautes Études Commerciales (HEC) business school in Paris (1983) and the Institut d'Études Politiques (IEP) of Paris (1986). She holds a post-graduate degree in Private Law from the University of Paris 1 Pantheon Sorbonne (1988) and a PhD in Management Science from the University of Paris 2 Pantheon Assas (2007).

* *Listed company.*

MICHEL MATHIEU

Age and nationality
10/03/1958 [58]
French

Date of first appointment
May 11, 2012

End date of term of office
2018

MAIN POSITION HELD EXCLUDING EURAZEO

Deputy Chief Executive Officer of Crédit Agricole SA * – Chief Executive Officer of LCL.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Director of CARIPARMA, PREDICA and AMUNDI *.
Deputy Chief Executive Officer and Member of the Executive Committee of Crédit Agricole SA *.
Chief Executive Officer of LCL.
Chairman of the Board of Directors of CACI.
Director of CA EGYPT.
Vice-Chairman of the Supervisory Board of CREDIT du MAROC.
Member of the "Senior Executives" Joint Commission of FNCA.
Chairman of Manège de CHAILLOT.

Other offices and positions held over the past five years

Vice-Chairman of the Board of Directors of PREDICA.

MANAGEMENT EXPERTISE

Michel Mathieu was Deputy Managing Director of Crédit Agricole S.A., responsible for Group Central Functions. He was in charge of Finance, Human Resources, Legal and Compliance, Information Technology, Strategy, Economic Research and Internal Resources and Real Estate.

Michel Mathieu began his career at Crédit Agricole in 1983, in the Gard Regional Bank, as an analyst and then as legal counsel. He became Director of Commitments in 1990, before moving to the Midi Regional Bank as Deputy Managing Director in 1995. In 1999, he was appointed Managing Director of the Gard Regional Bank, also becoming Managing Director of the Midi Regional Bank in 2005, with a view to merging the two entities. The merger was completed in 2007, giving birth to the Languedoc Regional Bank, of which Michel Mathieu was Managing Director. Michel Mathieu was a Director of Crédit Agricole SA from 2008 to 2010. He is also a Director of Cariparma.

He has a doctorate in business law.

* *Listed company.*

FRANÇOISE MERCADAL-DELASALLES

Age and nationality
11/23/1962 [54]
French
Date of first appointment
May 6, 2015
End date of term of office
2019

MAIN POSITION HELD EXCLUDING EURAZEO

Member of the Executive Committee and Group Head of Corporate Resources and Innovation at Société Générale group.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Member of the Executive Committee of Société Générale * group.
Director of Rosbank * (Russia), Compagnie Générale de Location d'Equipement (CGL), Société Générale Cameroun, SG Global Solutions Center (India), SG European Business Services (Romania) and Transactis (joint subsidiary of Société Générale and La Banque Postale).

Other offices and positions held over the past five years

Director of Sopra Steria Group.

MANAGEMENT EXPERTISE

Françoise Mercadal-Delasalles gained experience in the senior civil service in the Finance Ministry (1988-1992) and Caisse des Dépôts (2002-2008) and in the private sector with BNP-Paribas.
In 2008, she joined Société Générale as Group Head of Corporate Resources and Innovation and sits on the group Executive Committee in this capacity. As Chief Operating Officer, she is responsible for IT, Real Estate and Procurement, encompassing over 20,000 employees worldwide and representing a budget of €5 billion. Facilitator of the group's innovation strategy, Françoise Mercadal-Delasalles also steers Société Générale's digital transition project. In particular, she is responsible for the roll-out of the Digital for All program which is founded on an ambitious project to equip employees and a vast program to accompany digital changes and assimilation.
Françoise Mercadal-Delasalles is a graduate of Institut d'Études Politiques of Paris and École Nationale d'Administration.
She is a Knight of the Legion of Honor, the Order of Merit and the Order of Agricultural Merit.

* *Listed company.*

OLIVIER MERVEILLEUX DU VIGNAUX

Age and nationality
12/23/1956 [60]
French
Date of first appointment
May 5, 2004
End date of term of office
2018

MAIN POSITION HELD EXCLUDING EURAZEO

Manager of MVM Search Belgium.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Manager of MVM Search Belgium.
Member of the Advisory Committee of Expliseat SAS.

Other offices and positions held over the past five years

None.

Other information

Mr. Merveilleux du Vignaux is the son-in-law of Mr. David-Weill.

MANAGEMENT EXPERTISE

In 1993, Olivier Merveilleux du Vignaux created MVM, a direct recruitment firm, of which he is the Manager.
He was a Director of SAFAA until 1993, established and developed a recruitment firm with a partner from 1984 to 1992 and worked for Korn Ferry from 1980 to 1984, where he recruited senior executives through the direct recruitment method.
He is a business school graduate.

* *Listed company.*

STÉPHANE PALLEZ [(2)]

Age and nationality
08/23/1959 [57]
French

Date of first appointment
May 7, 2013

End date of term of office
2017

MAIN POSITION HELD EXCLUDING EURAZEO

Chairwoman and Chief Executive Officer of La Française des Jeux (FDJ).

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Chairwoman and Chief Executive Officer of La Française des Jeux (FDJ).
Director of Positive PlaNet.
Director and Chairwoman of the Audit Committee of CNP Assurances *.
Director of ENGIE *.

Other offices and positions held over the past five years

None.

MANAGEMENT EXPERTISE

Stéphane Pallez has pursued a career at the crossroads of the public and corporate spheres, accumulating a wealth of experience in the field of finance, and notably investment.

During her time at the Ministry of Finance, she served as Technical Advisor to the Minister, responsible for industrial affairs and corporate finance, and was later responsible for part of the portfolio of state holdings, where she was actively involved in the restructuring and privatization of publicly owned companies. She has also held a wide range of responsibilities in the field of financial regulation, banking and insurance, and in international financial negotiations.

In the corporate world, she was Deputy CFO at France Telecom Orange and was as such directly involved in that company's investment and divestment decisions between 2004 and 2011 for all the financial and operational activities under her responsibility.

From April 2011 to 2015, she was Chairwoman and CEO of CCR. In 2015 she was appointed Chairwoman and Chief Executive Officer of La Française des Jeux.

Stéphane Pallez graduated from Institut d'Etude Politique (IEP) Paris and École Nationale d'Administration (ENA), in the "Louise Michel" graduating class.

* *Listed company.*
(2) *Member whose reappointment is subject to approval by the Shareholders' Meeting of May 11, 2017.*

GEORGES PAUGET

Age and nationality
06/07/1947 [69]
French

Date of first appointment
May 7, 2010

End date of term of office
2020

MAIN POSITION HELD EXCLUDING EURAZEO

Managing partner at Almitage.Lda

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Vice-Chairman of the Board of Directors of Club Med.
Director of Friedland Financial Services and Dalenys * (formerly RENTABILIWEB).
Lead Independent Director of Valeo *.
Honorary Chairman of LCL.
Chairman of the Observatory for Sustainable Finance.
Managing Partner of Almitage.Lda.

Other offices and positions held over the past five years

Chairman of the Consulting firm, Économie Finance et Stratégie.
Director of TIKEHAU.
Chairman of IEFP (Institute for Public Financial Education).
Chairman of the Club of Banking and Finance Managers of the Centre des Professions Financières.
Chairman of the Monnet European credit card project.
Chairman of the Boards of Directors of Viel & Cie and Amundi Group.

MANAGEMENT EXPERTISE

With a PhD in economics, Georges Pauget has spent most of his career at Crédit Agricole. He held positions of responsibility within Crédit Agricole S.A. and its subsidiaries before joining the senior management of several Crédit Agricole regional offices, and then, in 2003, Crédit Lyonnais.

From 2005 to 2010, he was Chief Executive Officer of the Crédit Agricole S.A. group, Chairman of LCL (Crédit Lyonnais) and Crédit Agricole CIB. He chaired the Executive Committee of the French Banking Federation until 2008. He was also Chairman of Amundi Asset Management from 2010 to 2011.

Georges Pauget was Chairman of the consulting firm, Économie, Finance et Stratégie and Chairman of IEFP (Institute for Public Financial Education) and also Scientific Director of the Amundi Asset Management Research Chair at Paris-Dauphine University.

He is currently Managing Partner at Almitage.Lda and teaches courses at the Institut d'Études Politiques and at Beijing University as associate professor. In 2010, he received the Turgot prize for his work "La Banque de l'après crise."

3

JACQUES VEYRAT [1]

Age and nationality
11/04/1962 (54)
French
Date of first appointment
May 14, 2008
End date of term of office
2017

MAIN POSITION HELD EXCLUDING EURAZEO

Chairman of IMPALA SAS.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Chairman of IMPALA SAS.
Director of HSBC France, NEXITY * and FNAC *.
Non-voting member of Sucres et Denrées and Louis Dreyfus Armateurs.

Other offices and positions held over the past five years

Director of IMERYS.
Chairman of Louis Dreyfus Holding BV.
Chairman and Chief Executive Officer of Dreyfus SAS.

MANAGEMENT EXPERTISE

Before joining the Louis Dreyfus goup, Jacques Veyrat served in the Treasury Department at the French Ministry of Finance from 1989 to 1993, then in the office of the French Minister for Infrastructure from 1993 to 1995.

He has held various managerial positions in companies of the Louis Dreyfus group since 1995, in particular Deputy CEO of Louis Dreyfus Armateurs SNC.

In 1998, he founded LDCom, renamed Neuf Cegetel in 2004, then Neuf Cegetel in 2005. He was Chairman of Neuf Cegetel until April 2008. Neuf Cegetel was the subject of a takeover bid on the Paris stock market in April 2008 (€8 billion stock market capitalization).

He was then Chairman and Chief Executive Officer of the Louis Dreyfus group from 2008 to 2011. This group generated revenues of approximately €100 billion, with a presence in around 50 countries.

He is Chairman of IMPALA SAS since July 2011, which controls around ten companies primarily in the energy sector.

Jacques Veyrat is a graduate of École Polytechnique and École des Ponts et Chaussées in Paris.

* *Listed company*
(1) *Member whose reappointment is not proposed to the Shareholders' Meeting of May 11, 2017.*

CHRISTOPHE AUBUT — MEMBER OF THE SUPERVISORY BOARD REPRESENTING EMPLOYEES

Age and nationality
11/03/1965 [51]
French
Date of first appointment
Works Council Meeting of December 15, 2015
End date of term of office
December 14, 2019

MAIN POSITION HELD EXCLUDING EURAZEO

None.

OTHER OFF AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held in the Eurazeo group

Manager of Eurazeo Real Estate Lux Sarl (Luxembourg), APCOA Finance Lux Sarl (Luxembourg), EREL C Sarl (Luxembourg), EREL 2 Sarl (Luxembourg) and Investco 5 Bingen.
Director responsible for the day-to-day management of Eurazeo Services Lux (Luxembourg).

Other offices and positions held over the past five years

Manager of ECIP Italia Sarl (Luxembourg), Grape Hospitality Holding Sarl (Luxembourg), Grape Hospitality International Sarl (Luxembourg), Grape Hospitality Lux Austria Sarl (Luxembourg) and EREL 1 SARL (Luxembourg).
Director of Graduate SA (Luxembourg).

MANAGEMENT EXPERTISE

Christophe Aubut is an accounting graduate and holds the Diplôme Préparatoire aux Études Comptables et Financières.

In April 1988, Christophe Aubut was recruited by Lazard Frères et Cie to manage the accounts of the Lazard group's various entities. In June 1992, he joined Eurazeo as an accounting and tax manager and was the Accounting and Tax Director between January 2004 and December 2010.

Christophe Aubut is now an accounts manager for the Finance Departments of the Group's investments.

* *Listed company.*

Honorary Chairman of the Supervisory Board

BRUNO ROGER

Age and nationality
08/06/1933 [83]
French

MAIN POSITION HELD EXCLUDING EURAZEO

Chairman of Lazard Frères (SAS) and Compagnie Financière Lazard Frères (SAS) and Chairman of Lazard Frères Banque.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group

Chairman of Lazard Frères (SAS) and Compagnie Financière Lazard Frères (SAS).
Chairman of Lazard Frères Banque.
Managing Partner of Lazard Frères and Maison Lazard et Compagnie.
Chairman of Global Investment Banking of Lazard Group *.
Member of the Executive Committee of Lazard Group *.
Managing Director of Lazard Group *.
Director and member of the Ethics and Governance Committee and the Strategy and Investment Committee of Cap Gemini *.
Member of the Advisory Board of Europlace.

Other offices and positions held over the past five years

None.

MANAGEMENT EXPERTISE

Bruno Roger was Manager of Lazard (1973), then Managing Partner (1978), Vice-Chairman and Executive Director (2000-2001) and Chairman (since 2002).

He was a Managing Partner of Maison Lazard et Cie (1976), a Managing Partner of Lazard Partners Ltd Partnership (1984-1999), Managing Partner (1992) then Managing Director (1995-2001) of Lazard Frères and Co, New York and Co-Chairman of the European Advisory Board of Lazard (2005-2006). He is Chairman of Lazard Frères SAS and Compagnie Financière Lazard Frères SAS (since 2002), Chairman and Chief Executive Officer of Lazard Frères Banque (since 2009), Chairman of Global Investment Banking of Lazard (since 2005), and Managing Director and Executive Committee Member of Lazard Group.

After serving as Vice-Chairman and Chief Executive Officer of Eurafrance (1974-2001) and Chairman and Chief Executive Officer of Financière et Industrielle Gaz et Eaux then Azeo (1990-2002), he was Chairman of the Eurazeo Supervisory Board (2002-2003) after Azeo merged with Eurafrance.

He has been a member of the Supervisory Board of UAP (now Axa) (1994-2005) and Pinault-Printemps (1994-2005), and has served on the Board of Directors of Saint-Gobain (1987-2005), Thomson CSF (now Thales) (1992-2002), Sofina (1989-2004), Marine Wendel (1988-2002), SFGI (1987-2001) and Sidel (1993-2001).

He has been a Director of Cap Gemini since 1983 and is the Honorary Chairman of the French Society of Financial Analysts and Chairman of the Aix-en-Provence International Music Festival, the Decorative Arts festival and the Martine Aublet Foundation.

Bruno Roger is a graduate of the Institut d'Études Politiques (IEP) in Paris.

* *Listed company.*

Non-voting member

JEAN-PIERRE RICHARDSON

Age and nationality
07/12/1938 [78]
French
Date of first appointment
May 14, 2008
End date of term of office
2018

MAIN POSITION HELD EXCLUDING EURAZEO

Chairman and Chief Executive Officer of SA Joliette Matériel.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held in the Eurazeo group
Member of the Supervisory Board of ANF Immobilier *.

Offices and positions currently held outside the Eurazeo group
Chairman and Chief Executive Officer of SA Joliette Matériel.

Offices and positions held over the past five years
None.

MANAGEMENT EXPERTISE

Jean-Pierre Richardson is the Chairman and Chief Executive Officer of S.A. Joliette Matériel a family holding company and chaiwoman of SAS Richardson.
He joined SAS Richardson in 1962, a 51% subsidiary of Escaut et Meuse at that time, which later merged with Eurazeo. He managed its operations from 1969 to 2003.
From 1971 to 1979, he served as a judge at the Marseilles Commercial Court.
Jean-Pierre Richardson is a 1958 graduate of École Polytechnique.

* *Listed company.*

Member of the Supervisory Board whose appointment is proposed to the Shareholders' Meeting of May 11, 2017

ANNE DIAS

Age and nationality
09/16/1970 [46]
Franco-American
Date of first appointment
May 11, 2017
End date of term of office
2021

MAIN POSITION HELD EXCLUDING EURAZEO

Founding Chairwoman of Aragon Global Holdings.

OTHER OFFICES AND POSITIONS HELD IN COMPANIES AS OF DECEMBER 31, 2016

Offices and positions currently held outside the Eurazeo group
Member of the Harvard Business School's Board of Dean's Advisors (Cambridge, USA), the Museum of Modern Art (New-York), the Whitney Museum (New-York), the Foundation for Contemporary Arts (New-York), the French American Foundation and the Chicago Council on Global Affairs (Chicago).
Member of the International Committee and the Museum of Decorative Arts (Paris).

Other offices and positions held over the past five years
Co-Chairwoman of The Kenneth and Anne Griffin Foundation.
Member of the Advisory Board of Eurazeo Co-Investment Partners.
Trustee and Co-Chair of The Civic Federation of Chicago.
Member of the Lurie Children's Hospital Investment Committee.
Chairwoman of the Chicago Symphony Orchestra Investment Committee.

MANAGEMENT EXPERTISE

After graduating from Georgetown University School of Foreign Service in 1992, Anne Dias worked as a financial analyst in the Investment Banking Department of Goldman Sachs in London and New York. After obtaining her MBA in 1997, she joined Soros Fund Management as a financial analyst before managing a portfolio of financial services stock. She then joined Viking Global Investors, still working as an analyst but focusing this time on global media and internet stock. In 2001, Anne Dias started her own fund, Aragon Global Management, LLC in New York City and Chicago, specializing in media, technology, and telecommunications companies. In 2011, Aragon Global Management became an investment company, Aragon Global Holdings.

* *Listed company.*

3.1.3.3 Statements relating to corporate governance

Personal information regarding Executive Board and Supervisory Board members

There are no family ties between members of the Supervisory Board and members of the Executive Board.

A member of the Supervisory Board, Olivier Merveilleux du Vignaux, is the son-in-law of the Chairman of the Supervisory Board.

To the best of Eurazeo's knowledge, no member of its Supervisory Board or Executive Board has been convicted of fraud in the past five years. None of the members of the Supervisory or Executive Boards have been involved in a bankruptcy, receivership or liquidation over the past five years, and none have been incriminated and/or sanctioned by a statutory or regulatory authority. None have been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer, or from acting in the management or conduct of the affairs of an issuer in the past five years.

Conflicts of interest

To the best of Eurazeo's knowledge, and as of the date of this Registration Document, there are no potential conflicts of interest between the duties of the members of the Supervisory Board or Executive Board towards Eurazeo and their private interests or other duties.

To the best of Eurazeo's knowledge, there are no arrangements or agreements with shareholders, customers, suppliers or others by virtue of which a Supervisory or Executive Board member was appointed in this capacity.

Excluding shares resulting from the exercise of options granted to members of the Executive Board, which are subject to the lock-up requirements referred to in Section 7.1 and the obligations pursuant to the Shareholders' Agreement (presented in Chapter 6, Information on the Company and Share Capital, sub-section 6.4) to which the Supervisory Board member party to this agreement is subject, to the best of the Company's knowledge, no member of the Supervisory or Executive Boards has agreed to any restriction on the sale of any or all of the shares held by him or her within a given period of time.

3.1.4 SPECIALIZED COMMITTEES

The Supervisory Board has four specialized, permanent committees to help in the decision-making process. Although the term of committee membership coincides with the member's term of office on the Supervisory Board, the latter can change the composition of its committees at any time and remove a member from a committee if necessary. The tasks and rules of operation of the four committees are laid down by charters, the principles of which are listed below and appended to the Internal Rules of the Supervisory Board (see Section 3.1.5 of this Registration Document). The composition of committees is given as of the date of filing of this Registration Document.

Audit Committee

Composition: 4 members (including 3 independent members) and 1 non-voting member.

The Audit Committee is chaired by Jean Laurent [1]. Its other members are Stéphane Pallez, Harold Boël [2], Michel Mathieu and Jean-Pierre Richardson [3].

The members of the Audit Committee combine their skills in the fields of business management, economics and finance (see their professional experience in Section 3.1.3.2, Offices and positions – Management experience, p. 161).

In accordance with the law, the Audit Committee assists the Supervisory Board in examining questions relative to the preparation and verification of accounting and financial information, which notably involves:

- monitoring:
  - → the financial information preparation process,
  - → the efficiency of internal control and risk management procedures,
  - → the audit of the annual separate and consolidated financial statements by the Statutory Auditors,
  - → Statutory Auditor independence;
- authorizing the provision of non-audit services (not detailed in Article L. 822-11 II and Article L. 822-11-1 I of the French Commercial Code) by the Statutory Auditors.

Audit Committee meetings are called by its Chairman. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

The Audit Committee met five times in 2016 with an average attendance rate of 68%.

During its meetings, the Committee dealt with the following main topics:

- production and communication of accounting and financial information:
  - → review of the separate and consolidated annual financial statements for the year ended December 31, 2015 (with a specific focus on financial asset valuation procedures and impairment tests on goodwill and indefinite-life intangible assets), review of the separate financial statements for the quarters ended March 31 and September 30, 2016, review of the separate and consolidated interim financial statements for the six months ended June 30, 2016, and review of the schedule and closing options for the 2016 annual consolidated financial statements,
  - → review of consolidated earnings forecasts,
  - → review of the methodology used to determine NAV, the valuation of investments and the conclusions of the independent appraiser,
  - → review of the cash and funding positions at the date of each Committee meeting, and annual review of the cash management policy and activity,
  - → review of draft statements related to the annual financial statements for 2015 and the interim 2016 results,
  - → annual review of the financial communication and investor relations policy and activity;

(1) Member whose reappointemnt is not proposed to the Shareholders' Meeting of May 11, 2017 .
(2) Richard Goblet d'Alviella was a member of the Audit Committee until May 12, 2016. Harold Boël has been a member of the Audit Committee since May 12, 2016.
(3) Non-voting member.

- risk management and internal control:
  - review of the draft report by the Chairman of the Supervisory Board on internal control and risk management procedures in 2015,
  - review of the main risks and litigation,
  - review of the 2016 Internal Audit plan and the findings of Internal Audit assignments,
  - review of the findings of Internal Audit procedures,
  - review of work undertaken to prevent fraud;
- work of the Audit Committee:
  - review and approval of the Audit Committee's 2015 Annual Review, included in the Registration Document,
  - interviews with the financial teams and internal audit;
  - update on stock market ethics;
  - review of the renewal of the term of office of the principal Statutory Auditor, Mazars;
  - authorization of the provision of non-audit services by the Statutory Auditors;
- presentation and points raised by the Statutory Auditors:
  - review of the findings of the Statutory Auditors, and review of budgeted fees for 2016.

Attendance fees allocated to Committee members in respect of fiscal year 2016, in proportion to their attendance at meetings, totaled €68,250 (of which €26,250 for the Chairman).

Compensation and Appointment Committee

Composition: 4 members, including 2 independent members.

The Compensation and Appointment Committee is chaired by Roland du Luart. Its other members are Olivier Merveilleux du Vignaux, Georges Pauget, Françoise Mercadal-Delasalles and Christophe Aubut, Supervisory Board member representing employees, as a permanent guest.

The Committee makes proposals to the Supervisory Board concerning the compensation of the Chairman, Vice-Chairman and members of the Executive Board, the amount of attendance fees submitted for approval to the Shareholders' Meeting, grants of share subscription or purchase options and grants of free shares to Executive Board members.

The compensation of Executive Board members is determined individually for each member. The Committee determines, on the basis of quantitative and qualitative criteria for the previous year's performance, the amount of variable compensation, which may range from 0% to 150% of the basic variable compensation. Tables showing the fixed/variable breakdown of each Executive Board member's compensation are presented in Section 3.2.2 of this Registration Document (p. 183).

The Compensation and Appointment Committee also reviews the allocation of share purchase options to individual Executive Board members, and the overall allocation of share purchase options to Eurazeo's employees.

The Committee also makes recommendations on the appointment, reappointment and dismissal of Supervisory and Executive Board members, as well as the succession plan for corporate officers.

The Compensation and Appointment Committee is responsible for preparing the assessment of the work of the Supervisory Board. It reviews every year the situation of members of the Supervisory Board with respect to rules limiting the number of offices held and the independence criteria adopted by the Board, and makes recommendations as to the status of the members of the Supervisory Board. Each year, the agenda of a Committee meeting includes a point on the performance of the activities of the Supervisory Board.

Committee meetings are convened at least once a year by its Chairman. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

The Compensation and Appointment Committee met four times in 2016. The attendance rate for the Committee was 87%. It was consulted notably on determining the variable compensation of Executive Board members due in respect of 2015 (paid in 2016), the set-up of a share purchase option plan and free ordinary and preference share grant plans for 2016, the setting of criteria determining the variable compensation of Executive Board members for 2016, the reappointment of certain members to the Supervisory Board, the appointment of a new member to the Supervisory Board, the financial terms of the expatriation of a member of the Executive Board to New York (USA), the unwinding of the 2009-2011 co-investment program and the terms and conditions for the co-investment by Eurazeo teams in the Eurazeo Capital II fund, as well as the report on occupational and wage equality between men and women and the fixed compensation of Executive Board members in respect of 2017. Compensation and Appointment Committee meetings setting the compensation of executive corporate officers, are held without the presence of members of the Executive Board when discussing these issues.

Attendance fees allocated to Committee members in respect of fiscal year 2016, in proportion to their attendance at meetings, totaled €48,000 (of which €18,000 for the Chairman).

Finance Committee

Composition: 6 members, including 3 independent members.

The Finance Committee is chaired by Michel David-Weill. Its other members are Anne Lalou, Victoire de Margerie, Jean Laurent [1], Jacques Veyrat [1] and Michel Mathieu.

The main task of the Finance Committee is to assist the Supervisory Board on the Company's proposed investments or divestments. The Finance Committee issues recommendations or opinions to the Supervisory Board on all proposed transactions submitted to it by the Chairman of the Supervisory Board, notably in accordance with Article 5.2.2 of the Internal Rules of the Supervisory Board.

In the performance of its duties, the Finance Committee intervenes, at the request of the Chairman of the Supervisory Board or the Supervisory Board itself, on projects including:

- any transaction that could result, immediately or in the future, in a capital increase or decrease through the issue or cancellation of shares;
- the acquisition of a new or additional investment in any entity or company, or any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by the Company of more than €200 million;
- agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds €200 million.

Finance Committee meetings are convened by its Chairman whenever necessary. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

(1) Member whose reappointment to the Supervisory Board is not proposed to the Shareholders' Meeting of May 11, 2017.

The Committee met once in 2016, with an attendance rate of 100%.

Attendance fees allocated to Committee members in respect of fiscal year 2016, in proportion to their attendance at meetings, totaled €19,500 (of which €4,500 for the Chairman).

Corporate Social Responsibility (CSR) Committee

Composition: 4 members, including 2 independent members.

The CSR Committee is chaired by Anne Lalou. Its other members are Stéphane Pallez, Roland du Luart and Georges Pauget.

The main task of the CSR Committee is to assist the Supervisory Board with monitoring CSR issues and in particular employee-related, societal and environmental issues, in order to enable Eurazeo to best anticipate the related opportunities, challenges and risks.

The CSR Committee considers these issues in coordination with the Executive Board and reports regularly to the Supervisory Board on the exercise of its duties and issues recommendations on Eurazeo CSR policy and actions.

CSR Committee meetings are convened by its Chairman whenever necessary and at least twice a year. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

The Committee met twice in 2016, with an attendance rate of 75%.

Attendance fees allocated to Committee members in respect of fiscal year 2016, in proportion to their attendance at meetings, totaled €21,000 (of which €9,000 for the Chairman).

3.1.5 INTERNAL RULES OF THE SUPERVISORY BOARD

3.1.5.1 Internal rules of the Supervisory Board

These Internal Rules, provided for in Article 13 of the Company's Bylaws, are in line with the recommendations of the AFEP-MEDEF Code. It is an internal document which completes the Bylaws by clarifying the organization and activities of the Supervisory Board. It may not be invoked by shareholders or third parties against members of the Supervisory Board. The Internal Rules may be modified at any time by decision of the Supervisory Board.

Article 1: Composition and renewal of the Supervisory Board

1. Pursuant to Article 11 of the Company's Bylaws, the Supervisory Board has between three and eighteen members, appointed by Shareholders' Meetings for terms of four years.
2. The Supervisory Board ensures the implementation and continuation of the staggered renewal of its members in as equal fractions as possible. When necessary, the Board may ask one or several of its members to resign in order to implement staggered renewal.

Article 2: Board Attendance – Independence – Multiple directorships – Shareholdings

1. Each Supervisory Board member must devote the time and attention required for the exercise of his/her duties and participate regularly in the meetings of the Board and any committees of which he/she may be a member, as well as Shareholders' Meetings.

   In the absence of exceptional reasons, any Supervisory Board member failing to attend half of the Board meetings and/or relevant committee meetings held during one year will be deemed to wish to terminate his/her term of office, and will be asked to resign from the Supervisory Board.
2. The Supervisory Board determines the independence of its members and reviews their independence annually. It acts on the advice of the Compensation and Appointment Committee.

Members of the Supervisory Board are considered independent if they have no direct or indirect relationship of any kind with the Company, its consolidated Group or its Management that may affect or detract from their ability to make independent judgments.

A Supervisory Board member is considered to be an independent member if he/she:

- is not and has not been during the previous five years:
  - an executive corporate officer [1] or employee of the Company; executive corporate officer, employee or a Director of a company consolidated within the Company;
  - executive corporate officer, employee or a Director of the Company's parent company or a company consolidated within this parent;
- is not an executive corporate officer of a company in which the Company holds a directorship, either directly or indirectly, or in which an employee or executive corporate officer of the Company (currently in office or having held such office during the last five years) is a Director;
- is not, either directly or indirectly and in a material manner, either a client, a supplier, or an investment or corporate banker of the Company or any of its subsidiaries;
- does not currently serve, and has not served during the previous five years, as the Statutory Auditor of the Company or any of its subsidiaries;
- is not a close relative of a corporate officer of the Company;
- has not been a Director of the Company for more than twelve years. Loss of the status of independent Director occurs on the date at which this period of twelve years is reached.

The Chairman of the Supervisory Board may not be considered independent if he receives variable compensation in cash or securities or any performance-related compensation from the Company or the Group.

The Board may rule that a member who meets the above criteria cannot be considered an independent member due to specific circumstances and, conversely, that a member who does not meet all of these criteria may be considered an independent member.

(1) The Chairman and Chief Executive Officer, the Chief Executive Officer or the Deputy Chief Executive Officer of a limited liability company with a Board of Directors (société anonyme à Conseil d'Administration), or the Chairman or members of the Executive Board of a limited liability company with a Supervisory Board (société anonymes à Conseil de Surveillance) or the manager of a partnership limited by shares.

3. Each member must inform the Supervisory Board of the directorships he/she holds in other French and non-French companies, including any Board committees on which he/she sits in these companies and undertakes to comply with legal requirements and AFEP-MEDEF recommendations regarding multiple directorships. Accordingly, a member of the Supervisory Board must not sit or more than four other Boards of Directors or Supervisory Boards of listed companies outside the Group.
4. In accordance with the AFEP-MEDEF Code, each member of the Supervisory Board must be a shareholder of the Company in a personal capacity and hold a significant number of shares.

   Accordingly, pursuant to Article 11.2 of the Bylaws, members of the Supervisory Board must hold a minimum of 250 shares in the Company when they begin their term of office.

   In addition, members of the Supervisory Board must increase the number of shares held to the equivalent of one year's attendance fees, that is, 750 shares, before the end of their current term of office.

   The shares purchased must be held in registered form.

   This obligation to hold shares does not apply to shareholders representing employees.

Article 3: Supervisory Board meetings

1. In accordance with paragraph 3 of Article 12 of the Bylaws, the Board appoints a secretary nominated by the Chairman. The secretary may be a non-member.
2. The Supervisory Board meets as often as necessary, and at least once every quarter. Meetings are notified by letter, fax, e-mail or orally. Notices of meeting may be issued by the secretary to the Supervisory Board.

   Meetings are called by the Chairman, who sets the agenda. The agenda may be set only at the time of the meeting. In the absence of the Chairman, the meeting is chaired by the Vice-Chairman, who then assumes all the powers of the former.

   Once annually, meetings of the Supervisory Board may be held without the presence of members of the Executive Board in order to assess their performance and consider the future of management.

   The Chairman must call a Supervisory Board meeting within fifteen days of being asked to do so for a valid reason by at least one-third of its members. If such a request remains unsatisfied, the members who submitted the request may themselves call the meeting and set its agenda.

   Meetings are held at the location indicated in the notice of meeting.
3. Any Supervisory Board member may authorize another member by letter, fax or e-mail to act on his/her behalf at a meeting. No member may represent more than one other member at the same meeting.

   These provisions also apply to the permanent representative of a legal entity.

   Supervisory Board proceedings are valid only when at least half of its members are present. Decisions are adopted by the majority of members present or represented. When voting is tied, the Chairman has a casting vote.
4. Except when adopting resolutions relating to the appointment or replacement of its Chairman and Vice-Chairman, and those relating to the appointment or dismissal of Executive Board members, Supervisory Board members participating in Board meetings by means of video conferencing or another means of telecommunications shall be considered present for the purpose of quorum and voting rules, subject to the provisions of relevant laws and regulations.
5. The Supervisory Board may authorize non-members to attend its meetings, whether in person or by means of video conferencing or another means of telecommunications.
6. An attendance register signed by the Supervisory Board members attending meetings is held at the registered office.

Article 4: Minutes

Minutes are recorded of all Board meetings, in accordance with applicable legal provisions.

The minutes indicate any use of video conferencing or other means of telecommunications, and the names of all those participating in the meeting through such methods.

The secretary to the Board is authorized to distribute and certify copies or extracts of the minutes.

Article 5: Exercise of Supervisory Board powers

The Supervisory Board permanently oversees the management of the Company by its Executive Board. In doing so, it exercises the powers conferred upon it by law and the Bylaws.

I. Information provided to the Supervisory Board

Throughout the year, the Supervisory Board performs the checks and controls it deems warranted, and may request any document it considers necessary to carry out its duties.

The Chairman receives a monthly report from the Executive Board on the Company's investments, cash position, transactions and debt, if any.

At least once every quarter, the Executive Board submits a report on the above matters to the Supervisory Board, which includes a presentation of the Company's business activities and strategy.

The Executive Board also supplies the Supervisory Board with half-year budgets and investment plans.

2. Prior authorizations granted by the Supervisory Board

1. Transactions referred to in Article 14, paragraph 4, of the Bylaws and all material transactions outside the strategy of the Company are subject to the prior authorization of the Supervisory Board.
2. In accordance with Article 14 of the Bylaws, the Supervisory Board communicates in writing to the Executive Board the duration, amounts and conditions under which it gives prior authorization for one or more of the transactions covered by paragraph 4, sub-paragraphs a) and b) of Article 14 of the Bylaws.
3. In the event of urgency between Supervisory Board meetings, the Chairman of the Supervisory Board may, if so authorized by the Supervisory Board, and subject to approval by the Finance Committee, authorize the Executive Board to carry out the transactions covered by paragraph 4, sub-paragraphs a) and b) of Article 14 of the Bylaws, provided they are for an amount (defined as the amount considered when applying thresholds, in accordance with Article 14 paragraph 4 of the Bylaws) of between €200,000,000.00 and €350,000,000.00 for transactions described in the final and penultimate bullet points of b).

   Such authorization must be given in writing. The Chairman will report on this authorization at the subsequent Supervisory Board meeting, which will be asked to ratify the decision.

4. Acting on behalf of the Supervisory Board, the Chairman authorizes the appointment of any new Company representative to the Board of any company in France or abroad in which Eurazeo holds an investment of at least €200,000,000.00.
5. The Supervisory Board Chairman may advise the Executive Board at any time on any transaction, whether past, present or future.
6. Prior agreements and/or authorizations granted to the Executive Board under the terms of Article 14 of the Bylaws and this Article must be detailed in the minutes of the proceedings of the Supervisory and Executive Boards.

Article 6: Establishment of committees – Common provisions

1. Under the terms of paragraph 7 of Article 14 of the Bylaws, the Supervisory Board resolves to set up an Audit Committee, a Finance Committee, a Compensation and Appointment Committee and a Corporate Social Responsibility (CSR) Committee. All four committees are permanent committees. Their duties and rules are set out in their charters in Appendices 1, 2, 3 and 4 to these Internal Rules.
2. Each committee has between three and seven members appointed in a personal capacity, who may not be represented by other members. They are chosen freely by the Board, which ensures that they include independent members.
3. Although the term of committee membership coincides with the member's term of office on the Supervisory Board, the latter can change the composition of its committees at any time and remove a member from a committee if necessary.
4. The Board may also appoint one or more non-voting members to sit on one or more committees for whatever duration it sees fit. In accordance with the Bylaws, these non-voting members may only take part in committee proceedings in a consultative capacity. They may not act on behalf of Supervisory Board members and may only advise.
5. The Board appoints the committee Chairman from among its members, and for the duration of his/her appointment as a committee member.
6. Each committee reports on the performance of its duties at the next meeting of the Supervisory Board.
7. Each committee sets the frequency of its own meetings, which are held at the registered office or any other location selected by the Chairman, who also sets the agenda for each meeting.

   The Chairman of a committee may invite Supervisory Board members to attend one or more of its meetings. Only committee members may take part in deliberations.

   Each committee may invite any guest of its choice to attend its meetings.
8. In the absence of specific provisions, the minutes of each committee meeting are recorded by the secretary appointed by the committee Chairman, under the authority of the committee Chairman. The minutes are distributed to all Committee members. The Committee Chairman decides on the conditions governing the way in which the work of the committee is reported to the Supervisory Board.
9. Each committee puts forward proposals, recommendations and/or advice within its own field of expertise. For this purpose, it may undertake or commission any studies liable to assist the deliberations of the Supervisory Board.
10. Compensation of committee members is set by the Supervisory Board, and paid from the total amount of attendance fees for the year.

Article 7: Supervisory Board compensation

1. The Chairman and Vice-Chairman may receive compensation, the nature, amount and payment methods of which are determined by the Supervisory Board acting upon recommendation of the Compensation and Appointment Committee.
2. The amount of attendance fees set by the Shareholders' Meeting under the terms of Article 15 of the Bylaws is shared between the Supervisory Board, its committees and, when applicable, their non-voting members, in accordance with the following principles:
   - → the Supervisory Board sets the amount of attendance fees allocated to Supervisory Board members, and the amount allocated to the Chairman and members of each committee;
   - → attendance fees allocated to members of the Supervisory Board include a fixed portion and a variable portion in proportion to their actual presence at Board meetings;
   - → attendance fee allocated to members of the committees are determined in proportion to their actual presence at committee meetings;
   - → the Supervisory Board may decide that a proportion of the attendance fees should be allocated to non-voting members, the amount and conditions of such allocation being set by the Supervisory Board itself.

Article 8: Ethics

1. Supervisory Board and committee members, and any person attending Supervisory Board and/or committee meetings, are bound by a general obligation of confidentiality concerning the proceedings attended, and in respect of any confidential information or information described as such by the Chairman of the meeting concerned or the Chairman of the Executive Board.
2. More particularly, when the Supervisory Board receives precise confidential information liable, if published, to affect the share price of the Company or one of the companies it controls, then the members of the Board must refrain from disclosing this information to any third party until it has been made public. The Supervisory Board members must comply with the provisions of the securities trading code of conduct that they have signed.
3. Every Supervisory Board member must inform the Company by sealed letter conveyed *via* the Chairman of the Supervisory Board, of any transaction involving his/her shares in the Company. This letter must include details of the number of Company shares held and be submitted within three business days of the transaction to which it refers. Supervisory Board members must also inform the Company of the number of shares they hold as of December 31 of each year, and at the time of any financial transaction, so that the Company can disclose this information.
4. The Company may ask any Supervisory Board member to provide full information concerning transactions in the shares of listed companies, when such information is necessary to satisfy reporting obligations to national regulatory bodies, and more specifically, market regulators.
5. When a transaction is planned in which a Supervisory Board member or a non-voting member of the Supervisory Board has a direct or indirect interest (e.g. when a Board member is affiliated with the seller's advisory or funding bank, or the bank advising or funding a Eurazeo competitor in respect of the same transaction, or with a major supplier or customer of a company in which Eurazeo is considering acquiring an investment), the Supervisory Board member or the non-voting member of the Supervisory Board concerned must inform the Chairman of the Supervisory Board of his/her knowledge of

the planned transaction, specifying whether his/her interest is direct or indirect and the nature of the interest. The Supervisory Board member or the non-voting member of the Supervisory Board concerned is then required to abstain from participating in Supervisory Board or committee meetings at which the prospective transaction is discussed. Consequently, he/she takes no part in the proceedings of the Supervisory Board or in the vote concerning the planned transaction, and does not receive the relevant section of the minutes.

Article 9: Notification

The Executive Board will be informed of these rules, and will take due note of them under a specific resolution.

3.1.5.2 Audit Committee charter

Article 1: Duties

In accordance with the law, the general duties of the Eurazeo Audit Committee, acting under the responsibility of the Eurazeo Supervisory Board, are to monitor issues concerning the preparation and control of accounting and financial information.

More specifically, the duties of this Committee are as follows:

1. it monitors the financial information preparation process and, where applicable, issuing recommendations to ensure its integrity;
2. it monitors the efficiency of the internal control and risk management systems and, where applicable, internal audit systems, with respect to procedures governing the preparation and processing of financial and accounting information, without infringing on its independence;
3. it issues a recommendation on the Statutory Auditors proposed for appointment to the Shareholders' Meeting;
4. it monitors the conduct by the Statutory Auditors of their engagement and takes account of the observations and conclusions of the High Council of Statutory Auditors following any audits;
5. it confirms the Statutory Auditors comply with the independence conditions set out in Articles L. 822-9 to L. 822-16 of the French Commercial Code; where applicable, it takes the measures necessary to apply Article 4, paragraph 3 of Regulation (EU) no. 537/2014 and confirms compliance with the conditions set out in Article 6 of this regulation;
6. it approves the provision of services set out in Article L. 822-11-2 of the French Commercial Code;
7. it reports regularly to the Board of Directors or Supervisory Board on the performance of its duties. It also reports on the results of the statutory audit engagement, on how this engagement contributes to the integrity of the financial information and on the role it plays in this process. It immediately informs it of any difficulties encountered.

Article 2: Scope of activities

In the performance of its duties, the Audit Committee intervenes notably in the following areas:

- review of the scope of consolidation and draft separate and consolidated financial statements presented to the Supervisory Board for approval;
- review, with the Executive Board and the Statutory Auditors, of the generally accepted accounting policies and methods applied in the preparation of the financial statements and any amendments to these accounting policies, methods and rules, ensuring the appropriateness thereof;
- review and monitoring of the processes for the production and processing of the accounting and financial information used to prepare the financial statements;
- assessment of the validity of the methods selected to process major transactions;
- review of the Executive Board's presentation on exposure to material off-balance sheet risks and commitments during the review of the financial statements by the Audit Committee;
- review and appraisal, at least once annually, of the efficiency of internal control and risk management procedures implemented, including those relating to the preparation and processing of accounting and financial information;
- periodic review of the cash position;
- approval of the internal audit plan, monitoring of its progress, review of the conclusions of internal audit assignments and follow-up of progress of the resulting action plans;
- review, with the Statutory Auditors, of the nature, scope and results of audit procedures performed and their observations and suggestions, particularly with respect to internal control and risk management procedures, accounting practices and the internal audit plan;
- review of the draft report of the Chairman of the Supervisory Board on internal control and risk management procedures implemented by Eurazeo;
- authorization of non-audit services not detailed in Article L. 822-11 II and Article L. 822-11-1 I of the French Commercial Code by the Statutory Auditors in accordance with the procedures implemented by the Audit Committee;
- review of the call for tenders procedure for the selection of the Statutory Auditors and issuance of a recommendation to the Supervisory Board on the Statutory Auditors proposed for appointment to the Shareholders' Meeting in accordance with the rules governing the rotation of signatory partners and audit firms;
- monitor the compliance by the Statutory Auditors of the cap on authorized non-audit services of 70% of average audit fees for the last three years.

Article 3: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the Audit Committee and its members:

Committee meetings are convened at least once a year by its Chairman. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, Audit Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

Audit Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the Audit Committee are adopted by a simple majority of members present or represented. When voting is tied, the Chairman has a casting vote. For the purposes of quorum and majority rules, Audit Committee members may participate in Committee meetings through video conferencing or another form of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the Audit Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company.

3.1.5.3 Finance Committee charter

Article 1: Duties

The main purpose of the Finance Committee is to assist the Supervisory Board on the Company's proposed investments and divestments. It acts under the sole and collective responsibility of the members of the Eurazeo Supervisory Board.

The Finance Committee accordingly prepares Supervisory Board meetings and issues recommendations or opinions on all proposed transactions submitted to it by the Chairman of the Supervisory Board, notably in accordance with Article 5.2.2 of the Internal Rules of the Supervisory Board.

Article 2: Scope of activities

In the performance of its duties, the Finance Committee intervenes, at the request of the Chairman of the Supervisory Board or the Supervisory Board itself, on projects including:

- any transaction that could result, immediately or in the future, in a capital increase or decrease through the issue or cancellation of shares;
- the acquisition of a new or additional investment in any entity or company, or any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by the Company of more than €200 million;
- agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds €200 million.

  The following items are taken into consideration in calculating the above limit of €200 million:

  - the value of any investment by the Company, as reported in its separate accounts, either in the form of equity or equity equivalents or in the form of shareholder loans or similar arrangements,
  - debts and assimilated liabilities for which the Company has provided an express guarantee or agreed to stand surety. Other liabilities contracted by the subsidiary or holding entity concerned, or by a special-purpose acquisition entity, for which the Company has not expressly agreed to give a guarantee or stand surety, are not taken into account to determine whether or not the limit has been exceeded.

Article 3: Membership, meetings and organization

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the Finance Committee and its members:

Finance Committee meetings are convened by its Chairman whenever necessary. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, Finance Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

Finance Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the Finance Committee are adopted by a simple majority of members present or represented. When voting is tied, the Chairman has a casting vote. For the purposes of quorum and majority rules, Finance Committee members may participate in Committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the Finance Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company, except in accordance with Article 5.2.2 of the Internal Rules of the Supervisory Board.

3.1.5.4 Compensation and Appointment charter

Article 1: Duties

The Compensation and Appointment Committee is responsible for preparing the decisions of the Supervisory Board regarding corporate officer compensation and the share subscription and purchase option grant policy (and, when applicable, the free share grant policy), preparing changes in the composition of the Company's management bodies and overseeing the correct application of market principles with respect to corporate governance.

To this end, the Committee performs the following main tasks:

- compensation:
  - it makes proposals to the Supervisory Board regarding the various components of Executive Board members' compensation, including fixed and variable compensation, grants of share subscription or purchase options, pension provisions and all other benefits in kind,
  - it reviews the definition and implementation of the rules for setting the fixed and variable compensation of Executive Board members,
  - it advises the Board on the general share subscription or purchase option grant policy,
  - it issues a recommendation to the Board on the total amount of attendance fees for members of the Supervisory Board proposed to the Company's Shareholders' Meeting. It proposes rules for the allocation of these attendance fees and the individual amounts payable in this respect to Board members, taking into account their attendance at Board and Committee meetings,
  - it approves information presented to shareholders in the Annual Report on corporate office compensation and the principles and methods guiding the setting of management compensation and the grant to and exercise of share subscription and or purchase options by the latter;
- appointments:
  - it issues recommendations on the appointment and renewal of members of the Supervisory and Executive Boards,
  - it also issues recommendations on the corporate officer succession plan,
  - it is kept informed of the recruitment of the main senior executives and their compensation;
- corporate governance:
  - it prepares the appraisal of the work of the Board,
  - it regularly reviews the position of Supervisory Board members with regard to independence criteria defined by the Board, and issues recommendations should the reclassification of members of the Supervisory Board appear necessary,
  - it considers and issues recommendations on changes in the composition of the Supervisory Board.

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Article 2: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the Compensation and Appointment Committee and its members:

Committee meetings are convened at least once a year by its Chairman. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, Compensation and Appointment Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

Compensation and Appointment Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the Compensation and Appointment Committee are adopted by a simple majority of members present or represented. When voting is tied, the Chairman has a casting vote. For the purposes of quorum and majority rules, Compensation and Appointment Committee members may participate in Committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the Compensation and Appointment Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company.

3.1.5.5 Corporate Social Responsibility (CSR) Committee charter

Article 1: Duties

The main task of the Eurazeo CSR Committee is to assist the Supervisory Board with monitoring CSR issues in order to enable Eurazeo best anticipate the related opportunities, challenges and risks.

The CSR Committee considers these issues in coordination with the Executive Board and reports regularly to the Supervisory Board on the exercise of its duties and issues recommendations on Eurazeo CSR policy and actions.

Article 2: Scope of activities

The CSR Committee pays close attention to the action principles, policies and practices implemented by Eurazeo in the following areas:

- social, towards the employees of Eurazeo and its portfolio companies;
- environmental, regarding the direct activities of Eurazeo and the activities of its investments;
- governance, for Eurazeo and its portfolio companies;
- ethics.

These practices may also be reviewed, when appropriate, with regards to all Eurazeo stakeholders (particularly suppliers).

More specifically, the duties of the CSR Committee include:

- ensuring CSR issues are taken into account in defining the Eurazeo strategy;
- examining CSR opportunities and risks with respect to Eurazeo's activities;
- reviewing policy in the above areas, the objectives set and the results obtained;
- more specifically with respect to investment, ensuring the performance of CSR due diligence procedures for acquisitions and divestments;
- reviewing non-financial reporting, appraisal and control systems to enable Eurazeo to produce reliable non-financial information;
- reviewing all non-financial information published by Eurazeo;
- examining and monitoring ratings received from non-financial rating agencies; and
- reviewing the monitoring and implementation of applicable regulation in the above areas.

Article 3: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the CSR Committee and its members:

CSR Committee meetings are convened by its Chairman whenever necessary and at least twice a year. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, CSR Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

CSR Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the CSR Committee are adopted by a simple majority of members present or represented. When voting is tied, the Committee Chairman has a casting vote. For the purposes of quorum and majority rules, CSR Committee members may participate in Committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the CSR Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company.

3.2 COMPENSATION AND OTHER BENEFITS RECEIVED BY CORPORATE OFFICERS

3.2.1 2017 CORPORATE OFFICER COMPENSATION POLICY

Pursuant to the new Article L. 225-82-2 of the French Commercial Code, "the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kinds" of corporate officers must be presented to shareholders for vote.

This Section 3.2.1 presents the compensation structure as set by the Supervisory Board at the recommendation of the Compensation and Appointment Committee, that is the principles and criteria adopted by the Supervisory Board for determining, allocating and awarding corporate officer compensation.

3.2.1.1 Compensation policy for Supervisory Board members

Article 7 of the Supervisory Board's Internal Rules provides that:

- the Chairman and Vice-Chairman may receive compensation, the nature, amount and payment methods of which are determined by the Supervisory Board acting upon the recommendation of the Compensation and Appointment Committee:
- the amount of attendance fees set by the Shareholders' Meeting under the terms of Article 15 of the Bylaws is shared between the Supervisory Board, its committees and, when applicable, their non-voting members, in accordance with the following principles:
  - → the Supervisory Board sets the amount of attendance fees allocated to Supervisory Board members and the amount allocated to the Chairman and members of each committee,
  - → attendance fees allocated to members of the Supervisory Board include a fixed portion and a variable portion in proportion to their actual presence at Board meetings,
  - → attendance fee allocated to members of the committees are determined in proportion to their actual presence at committee meetings,
  - → the Supervisory Board may decide that a proportion of the attendance fees should be allocated to non-voting members, the amount and conditions of such allocation being set by the Supervisory Board itself.

The Shareholders' Meeting of May 6, 2015, decided in the eighth resolution to grant the Supervisory Board total annual attendance fees of €900,000 with effect from fiscal year 2015 and until a new decision by it.

Attendance fees allocated to Supervisory Board members are determined based on the following rules, as defined by the Supervisory Board meeting of December 15, 2015:

- a fixed portion of €13,000 (+200% for the Chairman and +100% for the Vice-Chairman);
- a variable portion of €4,000 per meeting.

The Supervisory Board member representing employees receives no attendance fees in respect of his duties.

Finally, annual compensation of €400,000, authorized by the Supervisory Board meeting of December 15, 2010 and unchanged since, is allocated to Michel David-Weill.

The members of the various committees also receive attendance fees of €3,500 per meeting for the Audit Committee and €3,000 per meeting for the other committees (Compensation and Appointment Committee, Finance Committee and CSR Committee).

The Chairmen of these committees receive additional attendance fees of 50%.

In accordance with the AFEP-MEDEF Code, each member of the Supervisory Board must be a shareholder of the Company in a personal capacity and hold a significant number of shares. Pursuant to Article 11.2 of the Bylaws, members of the Supervisory Board must hold a minimum of 250 shares in the Company when they begin their term of office. In addition, Article 4 of the Internal Rules states that members of the Supervisory Board must increase the number of shares held to the equivalent of one year's attendance fees, that is 750 shares, before the end of their current term of office. This obligation to hold shares does not apply to shareholders representing employees, when applicable.

Supervisory Board members do not receive variable compensation, stock options or performance shares.

3.2.1.2 Compensation policy for Executive Board members

The Supervisory Board sets the compensation policy for members of Eurazeo's Executive Board on the basis of recommendations made by the Compensation and Appointment Committee, taking account of the principles set out in the AFEP-MEDEF Code: comprehensiveness, balance between the compensation components, comparability, consistency, understandability of the rules and proportionality.

Executive Board members receive:

fixed compensation, annual variable compensation, long-term compensation (share purchase option and/or performance share grants), a supplementary defined benefit pension plan and other benefits incidental to their duties.

The **fixed compensation** seeks to guarantee a competitive level of compensation compared with the sector and in line with the Company's development. It is determined by the Supervisory Board based on market practice observed in comparable sector companies. The fixed compensation is not intended to change each year. The fixed compensation allocated to each member of the Executive Board will be reviewed every three years, in the absence of any specific change in responsibilities and/or duties.

The principles and criteria setting the **annual variable compensation** of Executive Board members are determined and reviewed each year by the Supervisory Board based on the recommendations of the Compensation and Appointment Committee.

3

Target variable compensation is expressed for each Executive Board member as a percentage of annual fixed compensation, capped at 100%. This target bonus represents 100% attainment of the objectives set for the various criteria.

The annual variable compensation rewards annual performance based on:

- objective economic criteria, representing **60%** of the target bonus;
- specific and quantifiable qualitative criteria directly linked to the strategy presented and the objectives defined, representing **20%** of the target bonus;
- and finally a discretionary appraisal judging management quality and the manager's commitment and contribution to promoting Eurazeo's image and reputation, also representing **20%** of the target bonus.

There are currently three economic criteria:

- annual growth in NAV: this criteria represents 25% of the target bonus where the objective set by the Supervisory Board is attained and can reach 50% if this objective is exceeded;
- NAV performance compared with the CAC 40: this criteria represents 25% of the target bonus if NAV growth equals the increase in the CAC 40 and can reach 50% if NAV growth outperforms the CAC 40;
- EBIT (Earnings Before Interest & Taxes) of consolidated investments in line with budget: this criteria represents 10% of the target bonus if budgeted EBIT is met and can reach 20% if budgeted EBIT is exceeded.

Depending on the level of attainment of these criteria (values less than, equal to or more than the target values set), the portion of variable compensation based on economic criteria can vary between 0% and 120% of the target bonus.

Individual qualitative criteria are set annually by the Supervisory Board at the recommendation of the Compensation and Appointment Committee. They include notably items relating to strategy and the CSR policy.

In the event of an exceptional contribution not taken into account in the objectives set, an additional qualitative bonus equal to 10% of the target bonus can be awarded to one or more Executive Board members.

In all events, after addition of the economic criteria, the qualitative criteria and the individual appraisal, the total variable compensation awarded cannot exceed 150% of the target variable compensation.

It is noted that pursuant to prevailing regulations, payment of the variable compensation to each Executive Board member in respect of fiscal year 2017 will be subject to approval by the Ordinary Shareholders' Meeting approving the financial statements for the year ended December 31, 2017.

Executive Board members are not intended to receive attendance fees from investments. Accordingly, attendance fees received in respect of offices held in the investments are deducted from variable compensation payable in respect of the same fiscal year.

Long-term compensation seeks to encourage value creation over the long-term and align the interests of managers with those of shareholders.

The twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016 authorized the Executive Board to grant share subscription or purchase options to employees and corporate officers of the Company and its affiliates, representing up to 3% of the Company's share capital. The resolution provides for a sub-ceiling on the grant of share subscription or purchase options to corporate officers of 1.5% of the share capital.

Each year, the Supervisory Board, at the recommendation of the Compensation and Appointment Committee, sets the total number of share purchase options to be granted to the members of the Executive Board and beneficiary employees. It sets the number of share purchase options to be allocated to each member of the Executive Board based on their responsibilities and their contribution to the Company's operations.

Stock options granted to members of the Executive Committee are subject to the following limits:

- the total number of options granted to the Executive Board may not represent 50% or more of the total number of options granted;
- the value of such options as presented in the consolidated financial statements in accordance with IFRS cannot exceed twice the total annual compensation (fixed and variable) of each executive corporate officer.

Executive Board members, in the same way as all other beneficiaries of the share purchase option plan, may, at the time of the initial grant, exchange all or part of the share purchase options for performance shares at an exchange rate of one performance share for three share purchase options.

The vesting of the share purchase options and the shares received in exchange for the options is subject in full to a combination of performance conditions tied to the change in NAV per share in absolute terms and the change in the Company share price compared with the change in the CAC 40.

Options vest progressively in tranches, subject to the beneficiary still being employed by the Company at the end of the relevant vesting period:

- half of the options vest at the end of the second year following their grant;
- the third quarter of the options vest at the end of the third year following their grant;
- the final quarter of the options vest at the end of the fourth year following their grant.

Vested options cannot be exercised before the fourth year following their grant, subject to the attainment of any performance conditions[1].

When the beneficiary of the options has not been employed by the Company for at least four years at the expiry date of one of the vesting periods, the options corresponding to this period do not vest until the beneficiary has four years' service.

Share purchase options are granted with no discount.

The use of hedging instruments is strictly prohibited.

Performance share grants are subject to a three-year vesting period and the attainment of the same performance conditions as the share purchase options.

Pursuant to the provisions of the fourth paragraph of Article L. 225-185 of the French Commercial Code, each member of the Executive Board is required to hold in a registered account, throughout his or her term of office, either directly or indirectly, through wealth management or family structures, one-third of the shares resulting from the exercise of share purchase options and/or grants of free performance shares, capped at the equivalent of three times the amount of the most recent annual fixed compensation for the Chairman of the Executive Board and two times the most recent annual fixed compensation for the other Executive Board members.

(1) If the performance conditions are not attained or only partially attained, all or a portion of the options will automatically expire.

Should a member of the Executive Board leave the Company before the end of the vesting period for the share purchase option or free performance share grant plans, unvested rights will be lost in the absence of a decision to the contrary by the Supervisory Board lifting the obligation of presence, in which case the options and/or shares would not vest early and would remain subject to the lock-up period and the attainment of performance conditions.

In recognition of their contribution to the business, Executive Board members are covered by a **supplementary defined benefit pension plan** designed to provide them with additional retirement income, implemented in accordance with Articles L. 911-1 *et seq.* of the French Social Security Code.

Access to this pension plan was definitively closed to new beneficiaries on June 30, 2011, following a decision of the Supervisory Board on March 24, 2011, at the recommendation of the Compensation and Appointment Committee.

Current members of the Executive Board benefit from this defined benefit pension plan which meets the conditions set-out in Article L. 137-11 of the French Social Security Code.

As the terms of office of Patrick Sayer, Virginie Morgon and Philippe Audouin were renewed in 2014, the provisions of Law no. 2015-990 of August 6, 2015, known as the Macron Law, seeking to render the vesting of new rights subject to specific conditions, will only apply at the next renewal of their terms of office in March 2018, pursuant to the provisions of Article 229 II of this law.

Senior executives satisfying all of the following conditions are eligible for this pension plan:

- at least 4 years' service (condition added in 2009 following the decision of the Supervisory Board of December 9, 2008 in the context of the implementation of AFEP-MEDEF Code recommendations);
- complete their career in the Company;
- wind-up their basic social security pension and the ARRCO and AGIRC mandatory complementary pensions;
- receive gross annual compensation in respect of a full calendar year of more than five times the social security annual ceiling.

The amount of this additional pension is based on their compensation and length of service at the time they retire.

The total amount of the additional pension allocated to a beneficiary meeting all the applicable pension payment conditions is equivalent to 2.5% of the benchmark compensation per year of service (capped at 24 years). The maximum amount of the pension is also capped at 60% of the benchmark compensation.

The benchmark compensation used to calculate pension entitlement includes the following items, to the exclusion of all others: average compensation received during the 36 months preceding retirement capped at two-times the fixed compensation.

As indicated above, the grant of this benefit is contingent on the beneficiary completing his/her career in the Company. However, Executive Board members dismissed after 55 years of age may continue to benefit from this plan, provided they do not undertake any professional activity before the payment of their pension.

The financing of this plan is out-sourced. Each year, in line with the change in the obligation which depends in particular on the rate of vesting of contingent rights and the change in technical and discounting rates, Eurazeo makes a payment to the insurance administrator.

Payments are subject to a specific contribution of 24%, borne exclusively by the Company. On payment of the pension and in addition to the CSG (up to 6.6%) and CRDS (0.5%) social security contributions, a health insurance contribution (1%) and a solidarity for autonomy additional contribution (0.30%), beneficiaries pay a specific employee contribution, not deductible for income tax purposes, which may be as much as 14%.

Other benefits

Executive Board members may be authorized to receive the following benefits:

- a company car;
- a senior executive insurance policy.

Furthermore, in the event of expatriation, the Company may bear the cost of certain expenses and additional taxes under the conditions set by the Supervisory Board.

Finally, in common with all Company staff, Executive Board members are covered by the same contribution and benefit conditions under Group health, provident and accident insurance plans.

Executive Board members also benefit from the defined contribution pension plan open to all employees of the Company, subject to the same contribution conditions, namely:

- contributions calculated based on Social Security tranche A at the rate of 2.50%;
- contributions calculated based on Social Security tranche C at the overall rate of 11%, including 45% paid by the beneficiary.

Sign-on bonus

Where an executive is appointed from outside the Group, the Supervisory Board, at the recommendation of the Compensation and Appointment Committee, may decide to grant a sign-on bonus in accordance with the recommendations of the AFEP-MEDEF Code, in order to compensate for any potential loss in revenue of the new executive.

Non-compete compensation

In the event of the appointment of a new member of the Executive Board or the reappointment of a current member, the Supervisory Board may decide to include a non-compete obligation applicable should the individual resign before the end of their term of office. This obligation, if introduced, would apply for a period of six (6) months. If implemented, this non-compete obligation would result in the payment of gross monthly compensatory benefits equal to a percentage of the average monthly compensation over the 12 months preceding the termination of the employment contract.

In the event of resignation before the end of their current term of office, Executive Board members holding an employment contract would be subject to a non-compete obligation for a period of six (6) months. In this respect, they will receive a compensatory allowance corresponding to 33% of the average monthly compensation for the last 12 months preceding the termination of the employment contract. If a termination benefit is paid with respect to this departure, the combined total of the non-compete allowance and the termination benefit must not exceed the combined total of the fixed and variable compensation paid during the two years preceding departure.

Termination benefits

In the event of:

- forced termination of duties;
- forced departure before expiry of the term of office;
- dismissal, except for gross or willful misconduct;

each member of the Executive Board is entitled to termination benefits equal, depending on the corporate officer, to between eighteen (18) months and two (2) years of full annual compensation (fixed and variable) determined based on compensation paid during the last 12 months. The Chairman of the Executive Board is also entitled to compensation in the event of non-renewal of his term of office. Payment of these benefits is also subject to the application of performance criteria aimed at making payment contingent on the performance of the Company between the last date of appointment and the expiry of the term of office. Depending on the performance attained by the relevant indicator, the Executive Board member may receive between two-thirds (2/3) and 100% of the planned termination benefits. The performance criteria currently applicable are detailed in Section 3.2.3.1. Payment shall also not be made if the individual leaves the Company at their own initiative to take up another position, if they change their position within the Group or if they are eligible for a pension within one month of the departure date. Compensation equal to half this amount will be payable if they are eligible for a pension within one to six months of the departure date. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that would have been received for the remaining months to retirement. Finally, when the corporate officer also holds an employment contract with the Company, termination benefits will include and may not be less than any compensation due pursuant to law or the collective agreement.

3.2.2 BREAKDOWN OF COMPENSATION DUE OR AWARDED TO CORPORATE OFFICERS IN RESPECT OF FISCAL YEAR 2016

3.2.2.1 Compensation due or awarded to members of the Supervisory Board

In 2016, members of the Supervisory Board were paid a total amount of €656,750 in attendance fees.

TABLE 3 – ATTENDANCE FEES AND OTHER COMPENSATION PAID TO NON-EXECUTIVE CORPORATE OFFICERS

Supervisory Board members		Amount paid in 2016 *(In euros)*	Amount paid in 2015 *(In euros)*
Michel David-Weill	Attendance fees	67,500	71,500
	Other compensation	400,000	400,000
Jean Laurent	Attendance fees	79,250	86,250
	Other compensation	-	-
Richard Goblet d'Alviella (1)	Attendance fees	19,375	60,500
	Other compensation	-	-
Roland du Luart de Montsaulnin	Attendance fees	61,000	56,500
	Other compensation	-	-
Olivier Merveilleux du Vignaux	Attendance fees	53,000	54,000
	Other compensation	-	-
Jacques Veyrat	Attendance fees	40,000	47,000
	Other compensation	-	-
Anne Lalou	Attendance fees	53,000	60,000
	Other compensation	-	-
Georges Pauget	Attendance fees	49,000	60,000
	Other compensation	-	-
Michel Mathieu	Attendance fees	34,500	50,000
	Other compensation	-	-
Victoire de Margerie	Attendance fees	32,000	27,000
	Other compensation	-	-
Stéphane Pallez	Attendance fees	43,000	48,000
	Other compensation	-	-
Françoise Mercadal-Delasalles	Attendance fees	43,000	31,583
	Other compensation	-	-
Harold Boël (2)	Attendance fees	23,625	-
	Other compensation	-	-

(1) Member of the Supervisory Board until May 12, 2016.
(2) Appointed on May 12, 2016.

Non-voting member		Amount paid in 2016 *(In euros)*	Amount paid in 2015 *(In euros)*
Jean-Pierre Richardson	Attendance fees	58,500	62,500
	Attendance fees paid by ANF Immobilier (1)	14,000	12,500
	Other compensation	-	-

(1) Company controlled by Eurazeo within the meaning of Article L. 233-16 of the French Commercial Code.

3.2.2.2 Compensation due or awarded to members of the Executive Board

TABLE 1 – SUMMARY OF COMPENSATION, STOCK OPTIONS AND FREE SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER

(In euros)	2016	2015
Patrick Sayer – Chief Executive Office		
Compensation due for the fiscal year (see Table 2)	1,825,456	1,864,502
Value of options granted during the fiscal year (see Table 4)	350,357	1,320,000
Value of free shares granted during the fiscal year (see Tables 6 and 6a)	1,097,542	2,136
TOTAL	**3,273,355**	**3,186,638**

(In euros)	2016	2015
Virginie Morgon – Deputy CEO – Chief Investment Officer		
Compensation due for the fiscal year (see Table 2)	2,085,772	1,447,448
Value of options granted during the fiscal year (see Table 4 and comments)	246,408	880,000
Value of free shares granted during the fiscal year (see Tables 6 and 6a)	771,932	2,136
TOTAL	**3,104,112**	**2,329,584**

(In euros)	2016	2015
Philippe Audouin – Chief Financial Officer – Member of the Executive Board		
Compensation due for the fiscal year (see Table 2)	826,302	729,902
Value of options granted during the fiscal year (see Table 4)	117,814	308,000
Value of free shares granted during the fiscal year (see Tables 6 and 6a)	369,045	141,336
TOTAL	**1,313,161**	**1,179,238**

TABLE 2 – SUMMARY OF COMPENSATION PAID TO EACH EXECUTIVE CORPORATE OFFICER

	Amounts for 2016		Amounts for 2015	
Patrick Sayer	**payable** (1)	**paid** (2)	**payable** (1)	**paid** (2)
Fixed compensation	920,000	920,000	920,000	920,000
Annual variable compensation	861,700	885,040	901,526	725,587
Special payments	-	-	-	-
Attendance fees (3)	132,072	81,083	81,083	175,300
Benefits in kind (4)	43,756	43,756	42,976	42,976
TOTAL	**1,825,456**	**1,929,879**	**1,864,502**	**1,863,863**

(1) Variable compensation payable in respect of a given fiscal year is paid in the next fiscal year.
(2) Variable compensation paid in a given fiscal year is that payable in respect of the previous fiscal year.
(3) Attendance fees received in respect of directorships held in investments in respect of a given fiscal year are deducted from variable compensation payable in respect of the same fiscal year, subject to differences in taxation and social security contributions. Attendance fees payable in respect of a given fiscal year are generally paid by the companies concerned in the following fiscal year.
(4) Company car and senior executive insurance.

	Amounts for 2016		Amounts for 2015	
Virginie Morgon	**payable [1]**	**paid [2]**	**payable [1]**	**paid [2]**
Fixed compensation	690,000	690,000	690,000	690,000
• *of which Eurazeo*	*536,667*	*536,667*	*690,000*	*690,000*
• *of which Eurazeo North America*	*153,333*	*153,333*	-	-
Annual variable compensation	718,083	1,014,124	751,272	611,681
• *of which Eurazeo*	*560,676*	*908,248*	*751,272*	*611,681*
• *of which Eurazeo North America*	*157,407*	*105,876*	-	-
Foreign travel allowance [3]	*77,524*	*77,524*	52,197	52,197
Special payments	-	-	-	-
Attendance fees [4]	43,571	*77,572*	*77,572*	*77,302*
Benefits in kind	677,689	677,689	6,176	6,176
• *of which Eurazeo* [5]	*6,270*	*6,270*	*6,176*	*6,176*
• *of which Eurazeo North America* [6]	*671,419*	*671,419*	-	-
TOTAL	**2,085,772**	**2,536,909**	**1,447,448**	**1,437,356**

(1) Variable compensation payable in respect of a given fiscal year is paid in the next fiscal year.
(2) Variable compensation paid in a given fiscal year is that payable in respect of the previous fiscal year.
(3) The foreign travel allowance was authorized by the Supervisory Board on December 5, 2013 and is deducted from the bonus granted the same year.
(4) Attendance fees received in respect of directorships held in investments in respect of a given fiscal year are deducted from variable compensation payable in respect of the same fiscal year, subject to differences in taxation and social security contributions. Attendance fees payable in respect of a given fiscal year are generally paid by the companies concerned in the following fiscal year.
(5) Company car.
(6) Pursuant to her secondment to Eurazeo North America, an amendment to her employment contract was signed providing notably that Eurazeo North America would provide a relocation allowance, up to a total annual cap of €1 million, or standard coverage of 67.5% of additional costs incurred by her as a result of her relocation to the United States. As of December 31, 2016, this allowance totaled US$738,561 (€671,419) compared with a cap of €1,458,333 for the period from the opening of the office to December 31, 2017, adjusted for the advance payment of certain installation costs. This allowance includes, in particular, compensation for the difference in the cost of living, costs associated with the secondment (relocation, accomodation, schooling, etc.) and a portion of the additional tax cost, taking account of the difference between the amount of mandatory deductions (social security contributions and income tax) that will be payable by Virginie Morgon in the United States compared with that which would have been payable in France and the additional tax payable on secondment costs reimbursed by Eurazeo North America.

	Amounts for 2016		Amounts for 2015	
Philippe Audouin	**payable [1]**	**paid [2]**	**payable [1]**	**paid [2]**
Fixed compensation	475,000	475,000	410,000	410,000
Annual variable compensation	346,033	256,589	312,486	257,598
Foreign travel allowance [3]	*29,368*	*29,368*	*15,895*	*15,895*
Special payments	-	-	-	-
Attendance fees [4]	*88,464*	*70,750*	*70,750*	*20,558*
Benefits in kind [5]	5,269	5,269	7,416	7,416
TOTAL	**826,302**	**836,976**	**729,902**	**711,467**

(1) Variable compensation payable in respect of a given fiscal year is paid in the next fiscal year.
(2) Variable compensation paid in a given fiscal year is that payable in respect of the previous fiscal year.
(3) The foreign travel allowance was authorized by the Supervisory Board on December 5, 2013 and is deducted from the bonus granted the same year.
(4) Attendance fees received in respect of directorships held in investments in respect of a given fiscal year are deducted from variable compensation payable in respect of the same fiscal year, subject to differences in taxation and social security contributions. Attendance fees payable in respect of a given fiscal year are generally paid by the companies concerned in the following fsical year.
(5) Company car.

Compensation of the Chief Executive Officer

Patrick Sayer, Chief Executive Officer

FIXED COMPENSATION

Fixed compensation of Executive Board members for 2016 was decided at the Supervisory Board meeting of December 15, 2015, based on Compensation Committee recommendations issued on November 30, 2015.

Patrick Sayer's fixed compensation was set at €920,000, unchanged since 2014.

ANNUAL VARIABLE COMPENSATION

Variable compensation for 2016 was decided at the Supervisory Board meeting of March 16, 2017, based on Compensation Committee recommendations issued on March 14, 2017.

Patrick Sayer's target variable compensation represents 90% of his fixed compensation, *i.e.* €828,000.

Variable compensation of €861,700 was awarded to Patrick Sayer.

Attainment of each of the economic criteria led to the following target bonus attainment levels:

- annual growth in NAV: 26.14% of the target bonus for this criteria;
- NAV performance compared with the CAC 40: 29.24% of the target bonus for this criteria;
- EBIT of consolidated investments in line with budget: 10.69% of the target bonus for this criteria.

Accordingly the economic criteria validated a total of 66.07% of his target variable compensation.

The attainment of qualitative objectives led to Patrick Sayer being awarded 18% of his target variable compensation.

Finally, the Supervisory Board, at the recommendation of the Compensation and Appointment Committee, awarded Patrick Sayer 20% of his target variable compensation in respect of his individual appraisal.

Overall, Patrick Sayer's variable compensation represents 93.7% of his fixed annual compensation.

LONG-TERM COMPENSATION

Patrick Sayer received 124,017 share purchase options and decided to convert 75% of them to performance shares. Accordingly, Patrick Sayer was ultimately awarded:

- 31,005 share purchase options, valued at €350,357; and
- 31,004 performance shares valued at €1,097,542.

Representing a total theoretical amount based on their IFRS valuation of €1,447,898 for long-term compensation, *i.e.* the equivalent of slightly more than 9 months short-term fixed and variable compensation.

DEFINED BENEFIT PENSION PLAN

The gross annual amount of the pension payable to Patrick Sayer, representing contingent rights in the course of vesting as of December 31, 2016, based on more than 22 years' service and subject to completion of his career with the Company, is €996,513.

OTHER BENEFITS

Patrick Sayer is covered by a senior executive insurance policy (*garantie sociale des chefs d'entreprise – GSC*) and has a company car. These two benefits were valued in benefits in kind in 2016 in the amount of €43,756.

Virginie Morgon, Deputy CEO

FIXED COMPENSATION

Fixed compensation of Executive Board members for 2016 was decided at the Supervisory Board meeting of December 15, 2015, based on Compensation Committee recommendations issued on November 30, 2015.

Virginie Morgon's fixed compensation was set at €690,000, unchanged since 2014.

ANNUAL VARIABLE COMPENSATION

Variable compensation for 2016 was decided at the Supervisory Board meeting of March 16, 2017, based on Compensation Committee recommendations issued on March 14, 2017.

Virginie Morgon's target variable compensation represents 100% of her fixed compensation, *i.e.* €690,000.

Variable compensation of €718,083 was awarded to Virginie Morgon.

Attainment of each of the economic criteria led to the following target bonus attainment levels:

- annual growth in NAV: 26.14% of the target bonus for this criteria;
- NAV performance compared with the CAC 40: 29.24% of the target bonus for this criteria;
- EBIT of consolidated investments in line with budget: 10.69% of the target bonus for this criteria.

Accordingly the economic criteria validated a total of 66.07% of her target variable compensation.

The attainment of qualitative objectives led to Virginie Morgon being awarded 18% of her target variable compensation.

Finally, the Chairman of the Executive Board awarded Virginie Morgon 20% of her target variable compensation in respect of her individual assessment.

Overall, Virginie Morgon's variable compensation represents 104.1% of her fixed annual compensation.

LONG-TERM COMPENSATION

Virginie Morgon received 87,224 share purchase options and decided to convert 75% of them to performance shares. Accordingly, Virginie Morgon was ultimately awarded:

- 21,806 share purchase options, valued at €246,408; and
- 21,806 performance shares valued at €771,932.

Representing a total theoretical amount based on their IFRS valuation of €1,018,340 for long-term compensation, *i.e.* the equivalent of slightly more than 8 months short-term fixed and variable compensation.

DEFINED BENEFIT PENSION PLAN

The gross annual amount of the pension payable to Virginie Morgon, representing contingent rights in the course of vesting as of December 31, 2016, based on 24 years' service following the inclusion of prior service and subject to completion of her career with the Company, is €828,000.

OTHER BENEFITS

Other benefits are valued in benefits in kind in 2016 in the amount of €677,689 and are broken down below.

Virginie Morgon has a company car.

In addition, pursuant to her secondment to Eurazeo North America, an amendment to her employment contract was signed providing notably that Eurazeo North America would provide a relocation allowance, up to a total annual cap of €1 million, or standard coverage of 67.5% of additional costs incurred by her as a result of her relocation to the United States. As of December 31, 2016, this allowance totaled US$738,561 (€671,419) compared with a cap of €1,458,333 for the period from the opening of the office to December 31, 2017, adjusted for the advance payment of certain installation costs. This allowance includes, in particular, compensation for the difference in the cost of living, costs associated with the secondment (relocation, accommodation, schooling, etc.) and a portion of the additional tax cost, taking account of the difference between the amount of mandatory deductions (social security contributions and income tax) that will be payable by Virginie Morgon in the United States compared with that which would have been payable in France and the additional tax payable on secondment costs reimbursed by Eurazeo North America.

Philippe Audouin, Member of the Executive Board

FIXED COMPENSATION

Fixed compensation of Executive Board members for 2016 was decided at the Supervisory Board meeting of December 15, 2015, based on Compensation Committee recommendations issued on November 30, 2015.

Philippe Audouin's fixed compensation was increased from €410,000 to €475,000 in 2016. The previous increase dates from 2012.

ANNUAL VARIABLE COMPENSATION

Variable compensation for 2016 was decided at the Supervisory Board meeting of March 16, 2017, based on Compensation Committee recommendations issued on March 14, 2017.

Philippe Audouin's target variable compensation represents 70% of his fixed compensation, *i.e.* €332,500.

Variable compensation of €346,033 was awarded to Philippe Audouin.

Attainment of each of the economic criteria led to the following target bonus attainment levels:

- annual growth in NAV: 26.14% of the target bonus for this criteria;
- NAV performance compared with the CAC 40: 29.24% of the target bonus for this criteria;
- EBIT of consolidated investments in line with budget: 10.69% of the target bonus for this criteria.

Accordingly the economic criteria validated a total of 66.07% of his target variable compensation.

The attainment of qualitative objectives led to Philippe Audouin being awarded 18% of his target variable compensation.

Finally, the Chairman of the Executive Board awarded Philippe Audouin 20% of his target variable compensation in respect of his individual assessment.

Overall, Philippe Audouin's variable compensation represents 72.8% of his fixed annual compensation.

LONG-TERM COMPENSATION

Philippe Audouin received 41,701 share purchase options and decided to convert 75% of them to performance shares. Accordingly, Philippe Audouin was ultimately awarded:

- 10,426 share purchase options, valued at €117,814; and
- 10,425 performance shares valued at €369,045.

Representing a total theoretical amount based on their IFRS valuation of €486,859 for long-term compensation, *i.e.* the equivalent of slightly more than 7 months short-term fixed and variable compensation.

DEFINED BENEFIT PENSION PLAN

The gross annual amount of the pension payable to Philippe Audouin, representing contingent rights in the course of vesting as of December 31, 2016, based on nearly 15 years' service and subject to completion of his career with the Company, is €287,239.

OTHER BENEFITS

Philippe Audouin has a company car.

This benefit was valued in benefits in kind in 2016 in the amount of €5,269.

In accordance with AMF recommendations and the recommendations of the AFEP-MEDEF Code on executive compensation in listed companies, the tables presented in the following pages provide detailed information on:

- share subscription or purchase options granted and/or exercised during the fiscal year;
- performance shares granted and/or that became available during the fiscal year;
- historical data relating to share subscription or purchase options granted to Executive Board members;
- historical data relating to performance shares granted to Executive Board members;
- specific information required pursuant to AFEP-MEDEF recommendations.

TABLE 4 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO EACH EXECUTIVE CORPORATE OFFICER DURING THE FISCAL YEAR BY THE ISSUER OR ANY GROUP COMPANY

	Plan number and date	Type of options	Value of options using the method applied in the Consolidated financial statements	Number of options granted during the year [1]	Strike price [1]	Exercise period
Patrick Sayer [2]	05/13/2016 – 2016 Plan	Purchase options	350,357	33,204	€57.90	05/13/2020 - 05/13/2026
Virginie Morgon [2]	05/13/2016 – 2016 Plan	Purchase options	246,408	23,353	€57.90	05/13/2020 - 05/13/2026
Philippe Audouin [2]	05/13/2016 – 2016 Plan	Purchase options	117,814	11,166	€57.90	05/13/2020 - 05/13/2026

(1) Adjusted for share capital transactions.
(2) Progressive vesting by tranche: one-half in 2018, third-quarter in 2019 and final quarter in 2020.

TABLE 5 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED BY EACH EXECUTIVE CORPORATE OFFICER DURING THE FISCAL YEAR

Options exercised by each executive corporate officer	Plan number and date	Number of options exercised during the year	Strike price	Year granted
Patrick Sayer	06/27/2006 – Plan 2006	88,155	€51.05	2006
Patrick Sayer	06/02/2009 – 2009 Plan	23,458	€22.33	2009
Virginie Morgon	05/10/2010 – 2010 Plan	40,000	€37.50	2010
Virginie Morgon	05/14/2012 – 2012 Plan	15,338	€28.62	2012
Philippe Audouin	06/27/2006 – 2006 Plan	19,590	€51.05	2006
Philippe Audouin	06/02/2009 – 2009 Plan	10,191	€22.33	2009

TABLE 6 – PERFORMANCE SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER DURING THE FISCAL YEAR BY THE ISSUER OR ANY GROUP COMPANY

Performance shares granted to each executive corporate officer during the fiscal year	Plan number and date	Number of shares granted during the year (1)	Value of shares using the method applied in the consolidated financial statements	Vesting date	Date of availability
Patrick Sayer	05/13/2016 – 2016	33,203	1,097,542	05/13/2019	05/13/2019
Virginie Morgon	05/13/2016 – 2016	23,353	771,932	05/13/2019	05/13/2019
Philippe Audouin	05/13/2016 – 2016	11,165	369,045	05/13/2019	05/13/2019

(1) Adjusted for share capital transactions

TABLE 6A – FREE SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER DURING THE FISCAL YEAR

Free shares granted to each executive corporate officer	Plan number and date	Number of shares granted during the year	Value of shares using the method applied in the consolidated financial statements	Vesting date	Date of availability
None.					

TABLE 7 – PERFORMANCE SHARES THAT BECAME AVAILABLE TO EACH EXECUTIVE CORPORATE OFFICER DURING THE FISCAL YEAR

Performance shares that became available to each executive corporate officer during the fiscal year	Plan number and date	Number of shares that became available during the fiscal year	Vesting conditions	Year granted
Patrick Sayer	05/14/2012 – 2012 Plan	14,590	50%	2012
Virginie Morgon	05/31/2011 – 2011 Plan	2,186	50%	2011
Virginie Morgon	05/14/2012 – 2012 Plan	4,830	50%	2012
Philippe Audouin	05/31/2011 – 2011 Plan	1,460	50%	2011
Philippe Audouin	05/14/2012 – 2012 Plan	3,219	50%	2012

TABLE 8 – HISTORICAL DATA RELATING TO SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED (EXECUTIVE BOARD MEMBERS ONLY)

Plans	2006 Plan	2007 Plan	2008/1 Plan	2008/2 Plan	2009 Plan	2010 Plan
Date of Executive Board meeting	06/27/06	06/04/07	02/05/08	05/20/08	06/02/09	05/10/10
Total number of shares available for subscription or purchase [(1)]	146,858	134,279	76,824	258,763	268,596	268,404
of which number of shares that can be subscribed or purchased by						
Patrick Sayer	125,878	115,715	-	171,448	172,321	171,957
Virginie Morgon	-		76,824	50,800	58,533	58,788
Philippe Audouin	20,980	18,564	-	36,515	37,742	37,659
Start of exercise period	06/28/10	[(2)]	02/05/10	[(3)]	[(4)]	[(5)]
Expiry date	06/27/16	06/04/17	02/05/18	05/20/18	06/01/19	05/10/20
Purchase price	47.67	71.90	48.70	55.11	22.33	35.02
Exercise conditions (when the plan includes more than one tranche)	-	[(2)]	-	[(3)]	[(4)]	[(5)]
Total number of shares subscribed or purchased as of 12/31/2016	146,858	-	-	-	186,739	42,837
Cumulative number of share subscription or purchase options canceled or expired	-	4,963	-	(62,904)	(36,180)	-
Share subscription or purchase options outstanding at the year-end	-	129,316	76,824	195,859	45,677	225,567

(1) Adjusted for share capital transactions
(2) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2009, one-third in 2010 and one-third in 2011.
(3) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2010, one-third in 2011 and one-third in 2012.
(4) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2011, one-third in 2012 and one-third in 2013.
(5) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2012, one-third in 2013 and one-third in 2014.
(6) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2013, one-third in 2014 and one-third in 2015.
(7) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2014, one-third in 2015 and one-third in 2016.
(8) Vested options may be exercised from May 7, 2017, subject to attainment of performance conditions. They vest progressively: the first half in 2015, the third-quarter in 2016 and the fourth quarter in 2017.
(9) Vested options may be exercised from June 17, 2018, subject to attainment of performance conditions. They vest progressively: the first half in 2016, the third-quarter in 2017 and the fourth quarter in 2018.
(10) Vested options may be exercised from June 29, 2019, subject to attainment of performance conditions. They vest progressively: the first half in 2017, the third-quarter in 2018 and the fourth quarter in 2019.
(11) Vested options may be exercised from May 13, 2020, subject to attainment of performance conditions. They vest progressively: the first half in 2018, the third-quarter in 2019 and the fourth quarter in 2020.

2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan
05/31/11	05/14/12	05/07/13	06/17/14	06/29/15	05/13/16
219,648	135,827	257,758	245,137	244,174	67,723
172,184	87,536	174,340	146,183	128,513	33,204
28,462	28,975	61,023	65,220	85,675	23,353
19,002	19,316	22,395	33,734	29,986	11,166
(6)	(7)	(8)	(9)		
05/31/21	05/14/22	05/07/23	06/17/24	06/29/25	05/13/26
40.77	28.62	31.96	55.11	57.58	57.90
(6)	(7)	(8)	(9)	(10)	(11)
-	27,499	-	-	-	-
(17,738)	-	-	-	-	-
201,910	108,328	257,758	245,137	244,174	67,723

TABLE 9 – OPTIONS GRANTED TO AND EXERCISED BY THE TEN EMPLOYEES OTHER THAN CORPORATE

Share subscription or purchase options granted to the ten non-corporate officer employees holding the most options, and options exercised by them	Total number	Strike price	Plan
Options granted during the fiscal year [1]	52,702	57.90	2016 Plan
Options exercised during the fiscal year	1,824	47.67	2006 Plan
Options exercised during the fiscal year	16,407	51.05	2006 Plan
Options exercised during the fiscal year	7,347	22.33	2009 Plan
Options exercised during the fiscal year	1,082	23.92	2009 Plan
Options exercised during the fiscal year	8,816	35.02	2010 Plan
Options exercised during the fiscal year	956	37.50	2010 Plan
Options exercised during the fiscal year	10,569	40.77	2011 Plan
Options exercised during the fiscal year	2,548	28.62	2012 Plan

(1) Adjusted for share capital transactions

TABLE 10 – HISTORICAL DATA RELATING TO GRANTS OF FREE SHARES (EXECUTIVE BOARD MEMBERS ONLY)

Plans	2009/1 Plan	2009/2 Plan*	2010/1 Plan	2010/2 Plan*
Date of Executive Board meeting	01/27/09	06/02/09	01/26/10	05/10/10
Total number of free shares granted [1]	423	- [2]	228	-
of which number granted to:				
Patrick Sayer	141	-	76	-
Virginie Morgon	141	-	76	-
Philippe Audouin	141	-	76	-
Vesting date [3]	01/27/11	06/02/11	06/26/12	05/10/12
		06/02/13 [4]		05/10/14 [4]
End of lock-up period [4]	01/27/13	& 06/02/14	06/26/14	& 05/10/15
Number of shares vested as of 12/31/2016	423	-	228	-
Cumulative number of shares canceled or expired	-	-	-	-
Free shares outstanding at the year end	-	-	-	-

* *These free shares are subject to performance conditions bearing on half the shares granted under the 2012/2 plan and all the shares granted under the 2013/2 plan. These performance conditions are assessed at the end of the two-year vesting period.*

(1) *Adjusted for share capital transactions.*

(2) *These free shares are derived from the share purchase option plan for the year in question and their number results from the choice made by each beneficiary, when appropriate, to convert a portion of the share purchase options into shares at a ratio determined at each grant.*

(3) *Shares vest to the beneficiaries at the end of a two-year vesting period.*

(4) *Free shares are subject to a lock-up period of two years (three years for free shares subject to performance conditions up to the 2012/2 plan).*

2011/1 Plan	2011/2 Plan*	2012/1 Plan	2012/2 Plan*	2013/1 Plan	2013/2 Plan*
01/31/11	05/31/11	01/24/12	05/14/12	01/21/13	05/07/13
204	11,862 [2]	312	45,278	264	4,978 [2]
68	-	104	29,180	88	-
68	7,112	104	9,660	88	-
68	4,750	104	6,438	88	4,978
01/31/13	05/31/13	01/24/14	05/14/14	01/21/15	05/07/15
01/31/15	05/31/15 [4] & 05/31/16	01/24/16	05/14/16 [4] & 05/14/17	01/21/17	05/07/17
204	10,606	312	45,278	264	4,978
-	(1,256)	-	-	-	-
-	-	-	-	-	-

3

Plans	2014/1 Plan	2014/2 Plan* [3]	2015/1 Plan	2015/2 Plan* (OS)	Plan 2015/3* (PS)	2016/1 Plan	2016/2 Plan*
Date of Executive Board meeting	01/07/14	06/17/14	01/27/15	06/29/15	06/29/15	05/13/16	05/13/16
Total number of free shares granted [1]	174	-	150	4,284 [2]	-	–	67,721 [2]
of which number granted to							
Patrick Sayer	58	-	50	-	-	–	33,203
Virginie Morgon	58	-	50	-	-	–	23,353
Philippe Audouin	58	-	50	4,284	-	–	11,165
Vesting date [3]	01/07/16	06/17/16	01/27/17	06/29/17	06/29/17	05/13/19	05/13/19
End of lock-up period	01/07/18	06/17/18	01/27/19	06/29/19	06/29/19	NA	NA
Number of shares vested as of 12/31/2016	174	-	-	-	-	-	-
Cumulative number of shares canceled or expired	-	-	-	-	-	-	-
Free shares outstanding at the year end	-	-	150	4,284	-	-	67,721

* *These free shares are subject to performance conditions bearing on all shares granted. These performance conditions are assessed at the end of the vesting period of two years up to the 2015/3 plan and three years for subsequent plans.*

(1) *Adjusted for share capital transactions.*

(2) *These free shares are derived from the share purchase option plan for the year in question and their number results from the choice made by each beneficiary, when appropriate, to convert a portion of the share purchase options into shares at a ratio determined at each grant.*

(3) *While the rules of the 2014 share purchase option plan allow the conversion of share purchase options into preference shares, for an authorized amount and at an authorized parity, no Executive Board members exercised this right.*

TABLE 11 – SUMMARY OF INFORMATION REQUIRED IN COMPLIANCE WITH THE AFEP-MEDEF CODE

	Employment contract		Supplementary pension plan		Compensation or benefits due or potentially due because of leaving or changing office		Special allowance relative to a non-compete clause	
Executive corporate officer [(l)]	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**
Patrick Sayer [(1)] Chief Executive Officer Start of term: **2014** End of term: **2018**	■		■		■			■
Virginie Morgon Deputy CEO [(2)] Chief Investment Officer Member of the Executive Board Start of term: **2014** End of term: **2018**	■		■		■		■	
Philippe Audouin Chief Financial Officer Member of the Executive Board Start of term: **2014** End of term: **2018**	■		■		■		■	

(1) Patrick Sayer had an employment contract as "advisor to the Chairman," signed with Gaz et Eaux on January 1, 1995, which was extended under successive transfers within Eurazeo until his appointment as a member of the Executive Board and Chairman on May 15, 2002. The contract has been suspended since that date. At the recommendation of the Compensation and Appointment Committee issued on November 27, 2013, the Supervisory Board confirmed on December 5, 2013 that Patrick Sayer would benefit from this employment contract in the event his term of office is not renewed in 2018.

(2) The Supervisory Board meeting of December 5, 2013, at the recommendation of the Compensation and Appointment Committee issued on November 27, 2013, appointed Virginie Morgon as Deputy CEO of the Company for the duration of her term as a member of the Executive Board. This appointment did not result in the suspension of Virginie Morgon's employment contract.

3.2.3 TERMINATION BENEFITS PAYABLE IN THE EVENT OF INVOLUNTARY RESIGNATION, FORCED DEPARTURE OR TERMINATION OF THE EMPLOYMENT CONTRACT

3.2.3.1 Termination benefits payable in the event of involuntary resignation, forced departure or termination of the employment contract

The criteria for determining termination benefits for involuntary resignation, forced departure or termination of the employment contract, described below for the individual Executive Board members, were set by the Supervisory Board at a meeting on March 19, 2014.

The criteria adopted make payment of termination benefits conditional on the beneficiary's individual performance, assessed with respect to that of the Company.

The amount of such termination benefits payable to all Executive Board members is calculated on the basis of the change in Eurazeo's share price compared with the LPX index, between the most recent appointment date of the relevant person and the end of his or her term of office, as follows:

- if Eurazeo's share price achieves 100% or more of the performance of the LPX index, the Executive Board member shall receive full termination benefits;
- if Eurazeo's share price achieves 80% or less of the performance of the LPX index, the Executive Board member shall receive two-thirds of termination benefits;
- between these limits, the termination benefits due to the Executive Board member shall be calculated on a proportional basis.

On November 27, 2013, the Compensation and Appointment Committee clarified the situation of "forced departure". This situation covers any resignation in the six months following a change in control or strategy of the Company. In this event, corporate officer termination payments are due.

3.2.3.2 Patrick Sayer, Chief Executive Officer

In the event of involuntary resignation before the end of his term of office or the non-renewal of his terms of office, Patrick Sayer shall be entitled to termination benefits equivalent to two (2) years' compensation, based on the total compensation (fixed and variable) paid during the previous 12 months. The payment of these termination benefits is subject to the criteria set out in Section 3.2.3.1 above.

He will not be entitled to termination benefits in the event of misconduct.

Payment shall also not be made if he leaves the Company at his own initiative to take up another position, if he changes his position within the Group or if he is eligible for a pension within less than one month of the departure date. Compensation equal to half this amount will be payable if he is eligible for a pension within one to six months of the departure date. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that he would have received for the remaining months to retirement.

Patrick Sayer is not bound by non-compete, non-solicitation or any other obligations of any sort regarding his future activity.

3.2.3.3 Virginie Morgon, Deputy CEO

Except in the event of dismissal for gross or willful misconduct, Virginie Morgon shall, in the event of her dismissal, be entitled to termination benefits equivalent to eighteen (18) months' compensation, based on the total compensation (fixed and variable) paid during the previous 12 months. The payment of these termination benefits is subject to the criteria set out in Section 3.2.3.1 above.

These termination benefits shall include, and shall be at least equivalent to, the legal and contractual severance payments that may be due based on her seniority since February 1, 1992.

Payment shall not be made if she leaves the Company at her own initiative to take up another position, if she changes her position within the Group or if she is eligible for a pension within one month of the departure date. Compensation equal to half this amount will be payable if she is eligible for a pension within one to six months of the departure date. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that she would have received for the remaining months to retirement.

In the event of her resignation before March 19, 2018, Virginie Morgon shall be subject to non-compete obligations for a period of six (6) months, the terms of which are set out in her employment contract, from the date at which such contract again becomes applicable. During this entire period, she shall be paid monthly compensatory benefits equivalent to 33% of her average monthly compensation over the 12 months preceding the termination of her employment contract.

If this resignation is also accompanied by the payment of termination benefits, aggregate non-compete compensation plus termination benefits may not exceed the total amount of fixed and variable compensation paid during the two years preceding her departure.

Virginie Morgon shall also be subject to non-compete and non-solicitation obligations for a period of one (1) year from the termination of her employment contract.

3.2.3.4 Philippe Audouin

In the event of his dismissal, except for gross or willful misconduct, before the expiry of his term of office, Philippe Audouin shall be entitled to termination benefits equivalent to eighteen (18) months' compensation, based on the total compensation (fixed and variable) paid during the previous 12 months. The payment of these termination benefits is subject to the criteria set out in Section 3.2.3.1 above.

Termination benefits will include the compensation due under the collective agreement in the event of termination of the employment contract.

Payment shall also not be made if he leaves the Company at his own initiative to take up another position, if he changes his position within the Group or if he is eligible for a pension within one month of the departure date. Compensation equal to half this amount will be payable if he is eligible for a pension within one to six months of the departure date. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that he would have received for the remaining months to retirement.

In the event of his resignation before March 19, 2018, Philippe Audouin shall be subject to non-compete obligations for a period of six (6) months, the terms of which are set out in his employment contract. During this entire period, he shall be paid monthly compensatory benefits equivalent to 33% of his average monthly compensation over the 12 months preceding the termination of his employment contract.

If this resignation is also accompanied by the payment of termination benefits, aggregate non-compete compensation plus termination benefits may not exceed the total amount of fixed and variable compensation paid during the two years preceding his departure.

Philippe Audouin shall also be subject to non-compete and non-solicitation obligations for a period of one (1) year from the termination of his employment contract.

3.2.4 OTHER INFORMATION

As of December 31, 2016, the total assets of the defined benefit pension contract for Executive Board members, the management of which is outsourced, amounted to €41.1 million.

All Executive Board members also benefit from all other entitlements and benefits commensurate with their duties, and in particular from third-party liability insurance covering all action taken by them as executive corporate officers throughout the full duration of their terms of office with Eurazeo.

Each member of the Executive Board also has access to the co-investment program described in Section 3.7 of this Registration Document (p. 219).

3.3 INTERESTS HELD BY MEMBERS OF THE SUPERVISORY AND EXECUTIVE BOARDS IN THE COMPANY'S SHARE CAPITAL AND TRANSACTIONS IN THE COMPANY'S SHARES BY MEMBERS OF THE SUPERVISORY AND EXECUTIVE BOARDS

3.3.1 INTERESTS HELD BY MEMBERS OF THE SUPERVISORY AND EXECUTIVE BOARDS IN THE COMPANY'S SHARE CAPITAL

AS OF DECEMBER 31, 2016

Name	Total shares	% of share capital	Total voting rights	% of voting rights
Supervisory Board members and non-voting member*				
Supervisory Board members				
Michel David-Weill	57,740	0.0828%	115,480	0.1259%
Jean Laurent	994	0.0014%	1,535	0.0017%
Harold Boël	250	0.0004%	250	0.0003%
Anne Lalou	1,657	0.0024%	3,314	0.0036%
Roland du Luart	1,638	0.0023%	3,047	0.0033%
Victoire de Margerie	500	0.0007%	500	0.0005%
Michel Mathieu	425	0.0006%	850	0.0009%
Françoise Mercadal-Delasalles	262	0.0004%	262	0.0003%
Olivier Merveilleux du Vignaux	747	0.0011%	1,494	0.0016%
Stéphane Pallez	677	0.0010%	952	0.0010%
Georges Pauget	751	0.0011%	1,053	0.0011%
Jacques Veyrat	275	0.0004%	550	0.0006%
Christophe Aubut	2,795	0.0040%	5,590	0.0061%
Sub-Total	**68,711**	**0.0986%**	**134,877**	**0.1470%**
Non-voting member				
Jean-Pierre Richardson	594	0.0009%	1,177	0.0013%
TOTAL	**69,305**	**0.0995%**	**136,054**	**0.1483%**
Executive Board members				
Patrick Sayer [(1)]	242,790	0.3483%	404,768	0.4413%
Virginie Morgon	82,998	0.1191%	118,417	0.1291%
Philippe Audouin [(2)]	63,577	0.0912%	94,413	0.1029%
TOTAL	**389,365**	**0.5586%**	**617,598**	**0.6733%**

* *Shares held in a personal capacity.*
(1) *Including 120,661 shares held by persons closely connected as referred to in Article 3.26 of Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse.*
(2) *Including 13,588 shares held by persons closely connected as referred to in Article 3.26 of Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse.*

3.3.2 TRANSACTIONS CARRIED OUT BY SUPERVISORY AND EXECUTIVE BOARD MEMBERS IN EURAZEO'S SHARES DURING THE LAST FISCAL YEAR

Summary of Eurazeo share transactions covered by the provisions of Article L. 621-18-2 of the French Monetary and Financial Code performed during the fiscal year*.

Name and position	Type of financial instrument	Type of transaction	Number of shares
Executive Board members			
Patrick Sayer, CEO	Shares	Purchase	8,300
	Shares	Sale *	19,019
	Shares	Exercise of options	111,613
Virginie Morgon, Deputy CEO	Shares	Sale	40,000
	Shares	Exercise of options	55,338
Philippe Audouin, Chief Financial Officer	Shares	Sale*	8,350
	Shares	Exercise of options	29,781
Supervisory Board members			
Christophe Aubut *Employee representative*	Shares	Sale	3,732
Harold Boël	Shares	Purchase	250
Jean Laurent	Shares	Purchase	300
Victoire de Margerie	Shares	Purchase	198(1)
Non-voting member Jean-Pierre Richardson	Shares	Purchase*	270,000
	Shares	Sale*	270,000

* *Including transactions performed by persons closely connected as referred to in Article 3.26 of Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse.*
(1) *Transaction for an amount not exceeding the reporting threshold set in Article 223-23 of the AMF's General Regulations.*

3.4 RISK MANAGEMENT, INTERNAL CONTROL AND MAIN RISK FACTORS

Eurazeo's core business consists in the acquisition of investments, mostly in unlisted companies. In a bid to create value, Eurazeo defines and pursues a certain number of strategic, financial and operating objectives. The occurrence of certain risks could impact its ability to achieve its objectives. In the same way as other companies, Eurazeo operates in an environment intrinsically subject to uncertainty, when risk-taking is inseparable from the search for opportunities and the desire to grow the Company.

It is therefore important for Eurazeo to identify, prevent and mitigate the impact of the main risks likely to threaten the achievement of its objectives, by designing and implementing appropriate internal control and risk management systems. Under the responsibility of the Executive Board, these systems:

- are incorporated into the economic model and business processes specific to the organization, in order to contribute positively to the conduct and management of its different activities and provide a competitive edge for the Company, particularly by improving decision making; and
- are part of a continuous improvement process, mobilizing Company employees around a shared vision of the main risks.

While being as well implemented and designed as possible, the internal control and risk management systems cannot provide an absolute guarantee that the Company's objectives will be achieved. The systems are generally limited by human factors: decision-making relies on people and the exercise of their judgment.

The following two sections present a summary of:

(i) the characteristics of the internal control and risk management systems implemented by Eurazeo to secure the decision-taking process and promote the achievement of objectives; and

(ii) the specific aspects of the main risks to which the Company is exposed.

The specific aspects of the main risks are presented based on the following principles:

- the information presented does not claim to be comprehensive (unknown risks, risks poorly or not identified, etc.) and does not cover all the risks to which the Company may be exposed in the conduct of its activities. The analysis performed by the Company focuses on those risks considered capable of calling into question business continuity or that could have a material negative impact on its activity, financial position or results (financial impact, particularly on Net Asset Value) and/or the development of the Company (particularly impact on its reputation and the human factor). To the best of Eurazeo's knowledge, there are no material risks other than those presented. Information on financial risks is also presented pursuant to the French Commercial Code (Article L. 225-100);
- the description only provides an overview of risks at a point in time;
- Eurazeo's legitimate concerns regarding the possible consequence of disclosing certain information have been taken into account, while respecting the rules governing the communication of information to the market and investors.

3

3.4.1 RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The risk management and internal control systems contribute in a complementary manner to controlling the activities of the Company:

- the **risk management system** seeks to identify and analyze the main risks to which the Company is exposed. Identified risks likely to exceed the acceptable limits set by the Company are mitigated and, when appropriate, action plans are prepared. These actions plans provide for the implementation of controls, the transfer of the financial consequences (insurance mechanisms or equivalent) or a change to the organizational structure;
- the **internal control system** relies on the risk management system to identify the main risks to be controlled. In the same way as the general principles of the AMF framework, Eurazeo's internal control system seeks to ensure: compliance with legislation and regulations, application of the instructions and strategic cap set by the Executive Board, the smooth running of the Company's internal processes, particularly those contributing to the security of its assets and the reliability of financial information.

These systems rely on processes (3.4.1.1), key players (3.4.1.2) and an environment promoting honest and ethical behavior (3.4.1.3), which are presented successively below. In addition, a specific section is devoted to internal controls covering the preparation and processing of financial information (3.4.1.4).

The systems presented cover all transactions performed within a scope comprising Eurazeo SA, as an investment company, its subsidiary Eurazeo PME and the investment vehicles directly controlled by each of these companies.

3.4.1.1 Factoring in risks in the Company's key processes

In its bid to create value, Eurazeo has organized its activities around a certain number of processes which play a key role not only in creating value, but also in preserving value.

Eurazeo's business processes: Detect/Invest/Transform/Enhance value

The organization and procedures implemented by Eurazeo in the conduct of its private equity business seek to:

1. optimize the detection of investments liable to provide growth; ensure that investment decisions are taken with full knowledge of identifiable risks liable to affect its value;
2. achieve the planned transformation of each investment;
3. optimize the timing and means of selling its investments.

❶ Detection/Investment decision

In each investment division, dedicated investment teams meet on a collegiate basis at least twice a week to address deal flow, the monitoring of investments and preparation for the divestment of portfolio companies.

The deal sourcing team (Eurazeo Development) attends all meetings devoted to deal flow. Each investment opportunity is documented through formal monitoring as the analysis of each opportunity progresses. Each new investment opportunity is reviewed by one or more members of the investment teams in accordance with specific procedures and under the authority of an Investment Director. During the first stage of the review, their analyses and conclusions are presented to weekly meetings, which are a forum for the exchange of views on whether or not to continue examining the investment opportunity. The risks associated with each investment opportunity are reviewed and reassessed each week based on progress (see Section 3.4.2.2, Risks related to the vetting of investment projects, p. 208).

At a later stage, opportunities are discussed by the Executive Committee and when significant interest is shown, the decision is taken to perform due diligence procedures and commit the related expenditure. During this stage, the CSR, Risk Management and Legal Department are involved in the risk analysis under the supervision of the Chief Financial Officer, member of the Executive Board and General Counsel. They assist the investment teams with the performance of risk analyses in their respective areas of expertise and due diligence procedures on the risk areas identified as a priority. They have developed common risk guidelines which are an essential tool for analyzing investment opportunities. These teams represent a "second control line" behind the investment teams for risk prevention.

The investment or divestment decision is examined by the Executive Committee and taken by the Executive Board before being presented for authorization to the Supervisory Board (when the investment exceeds €200 million and in practice for all divestments) for the Capital, Croissance and Patrimoine divisions. The Finance Committee is systematically consulted and issues an opinion and recommendations to the Supervisory Board. The Eurazeo PME division has specific governance rules.

❷ Transformation/❸ Value enhancement

Under the supervision of the investment teams, the priority and/or transformational projects focusing on risks and opportunities identified during the analysis phase of a company are launched post-acquisition. The investment and Corporate (CSR, Risk management and Legal) teams may also assist management of the relevant companies with the conduct of these projects.

Portfolio companies (and particularly their value creation projects, performance, risks, etc.) are monitored weekly through combined team meetings and bimonthly through meetings of the Executive Committee.

In addition, during the development and transformation phase of an investment, the management of each investment produces a monthly report (performance, outlook, business review, risks, etc.). Each quarter, Corporate teams also take part in reviewing the performance of each investment. In parallel, the set-up of Audit Committees in the investments offers an additional means of monitoring the efficiency of risk management and internal control in the portfolio companies (see Section 3.4.1.2 on the following page).

Periodic valuation of unlisted investments to determine the Net Asset Value

Net Asset Value (NAV) is a key measure of value creation over time. In order to produce the NAV, a process was introduced to update valuations of unlisted investments every six months. To coordinate this process, an employee centralizes the work documented by the various participants. An analysis is produced prior to each collegiate valuation review meeting. This meeting represents a review stage before the determination of valuations and NAV by the Executive Board. At the same time, valuation work is sent to an independent assessor who ensures, using a multi-criteria approach, that valuations are reasonable (see Section 3.4.2.1, p. 207).

Processes for the preparation and processing of financial information (see Section 3.4.1.4)

Cash management and financing

Depending on the investment and divestment schedule, the level of Eurazeo's available cash can vary significantly and can sometimes reach substantial levels. As of December 31, 2016, Eurazeo SA had available cash of more than €1.1 billion. Close attention is therefore paid to the appropriate management of cash-related risks. The Director of the Treasury-Financing Department is in charge of the daily control of cash transactions. Control activities are part of compliance with the policy and prudential rules laid down by the Treasury Committee (see also Section 3.4.2.8.5, page 212 on Liquidity risk and Counterparty risk). They notably cover the strict application of delegation of authority procedures, the monitoring of investment performance, the monitoring of counterparty risk, the analysis of changes in the cash position over the period, the preparation of cash forecasts, and the issue of alerts and recommendations to the Treasury Committee.

Furthermore, the Director of the Treasury-Financing Department leads the acquisition financing transactions. He assists the investments teams by negotiating with financial partners to optimize financial terms and conditions (particularly document flexibility and cost).

Monitoring by Audit Committees of risks specific to investments

In recent years, the creation of an Audit Committee in the majority of investments has been key to the organization of exemplary governance (see Section 2.1, p. 118). These committees meet once every quarter on average. The Eurazeo Chief Financial Officer, a member of the dedicated investment team and the Eurazeo Internal Audit and Risk Department are generally present or represented.

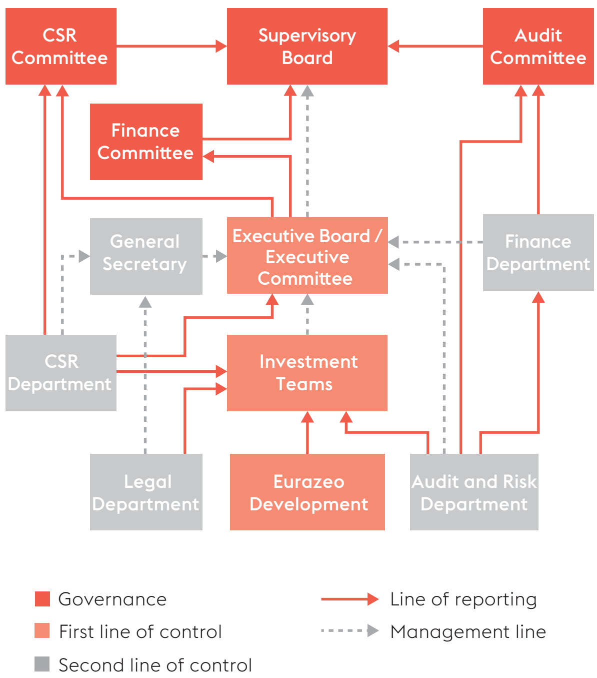
Observations made following procedures during the acquisition phase, internal audits, monitoring of risk mappings and statutory auditor procedures are reviewed during these committee meetings. This process is part of the system ensuring Eurazeo Audit Committee members have the information necessary for the performance of their duties, and notably information on the efficiency of risk management and internal control systems.

3.4.1.2 Risk management players

All executive corporate officers and employees have responsibilities and powers that contribute, at their level, to the proper operation of the system and the achievement of objectives. The current organizational structure is based primarily on the association of responsibilities, tasks and delegations of authority of certain highly involved bodies and functions.

In analyzing the contribution of the different risk management players, three groups can be identified:

- governance: the Supervisory Board and three Board committees comprised of the Finance Committee, the Audit Committee and the CSR Committee;
- the first line of control: this comprises direct contributors to the identification, investment decision, transformation and portfolio enhancement stages; Members of the Executive Board and the Executive Committee and investment and investment opportunities sourcing (Eurazeo Development) teams represent the frontline of defense throughout the life of an investment opportunity or a portfolio investment;
- the second line of control: the Corporate teams, and primarily the CSR, Risk Management, Legal and Finance Departments, represent the second rampart for the detection and prevention of risks during both the acquisition and transformation phases.



A. Governance: the Supervisory Board and the Board committees

The Supervisory Board permanently oversees the management of the Company by its Executive Board. It also refers to the work and opinions of the Board committees to which it has assigned tasks.

Under the Bylaws and/or the law, a certain number of transactions, including some that pertain to the investment business, require prior authorization by the Supervisory Board, in particular:

- the partial or full disposal of investments;
- the appointment of one or more Eurazeo representatives to the Boards of any French or foreign companies in which the Company holds an investment with a value equal to or greater than €200 million [1];
- the acquisition of a new or additional investment in any entity or company, or any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by Eurazeo of more than €200 million [1];
- agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds €200 million [1].

Upstream of these transactions, the Supervisory Board relies on the opinion and recommendations of the Finance Committee, which can also be consulted on projects of less than €200 million.

As part of its duties, the Audit Committee plays a role in the oversight of the internal control and risk management system. In this respect, the Internal Audit and Risk Department reports the conclusions of its procedures to this Committee at least twice annually and brings to its attention the most important risk topics.

The CSR Committee was created in 2014 to monitor CSR aspects, primarily to enable Eurazeo to best anticipate the risks relating to employee, societal and environmental issues. The Committee refers to the work of the CSR Department.

Each Board committee Chairman reports on their committee's work to the Supervisory Board, particularly on priority risk areas.

The following table summarizes the types of risk examined specifically by the Board and its committee according to their respective duties:

	Focus on
Supervisory Board	• Strategic risks
Finance Committee	• Risks relating to investment and divestment decisions
Audit Committee	• Financial, operating and compliance risks • Efficiency of risk management and internal control systems
CSR Committee	• Risks relating to employee, societal and environmental issues

(1) Art. 14 of Eurazeo SA's Bylaws.

B. First line of control

The Executive Board and the Executive Committee

As of December 31, 2016, the Executive Board had three members (the Chief Executive Officer, the Deputy CEO and the Chief Financial Officer). The duties of secretary of the Executive Board are performed by Eurazeo's General Counsel. It generally meets twice a month and as often as Eurazeo's interests require.

The Executive Committee meets at least twice a month to centralize information concerning the Capital, Croissance, PME and Patrimoine divisions and make the necessary decisions, it being noted that Eurazeo PME has its own governance structure (for investment and divestment decisions). Work includes a review of investment projects presented by the investment teams and a review of portfolio investments. It is comprised of members of the Executive Board, the General Counsel and four Investment Officers (in charge of Eurazeo Development and the Patrimoine, Capital and PME investment divisions).

Division investment teams

In the various divisions, the members of the dedicated investment team perform the diligences required by investment procedures for the appraisal of investment opportunities, the optimization of acquisition and financing strategies, the monitoring of investments and the preparation of disposals (see detailed description in Section 3.4.1.1). The teams generally comprise three members per deal/investment. For each investment or divestment project, the teams present the key risks identified and the related mitigation plans.

Eurazeo Development team

The Eurazeo Development team works to focus investment on growth companies with positive underlying economic trends, in order to identify and examine opportunities, and to better understand vendors at a very early stage. This approach, which primarily seeks to identify proprietary deals, offers a competitive edge in the sales process and can reduce exposure to the competition inherent to brokered deals. The Eurazeo Development team is also responsible for setting-up fund raising programs with minority co-investors.

C. The second line of risk control

Chief Financial officer

The Chief Financial Officer, who is a member of the Executive Board, is responsible in particular for preparing the financial information produced for use within the Company or outside the Company. He coordinates the activities of several departments that are at the heart of the accounting and financial internal control system: Accounting and Tax, Consolidation, Management Control, Treasury-Financing, Risk Management , Internal Audit and Financial Communications and Investor Relations. As a member of the Executive Board, he provides a link between the people who prepare and control the financial information and the Executive Committee. The internal control system governing accounting and financial reporting is presented in Section 3.4.1.4. (p. 204).

The General Counsel and the Legal Department

The General Counsel, who is also the Legal Director of Eurazeo, coordinates the activities of the Legal, CSR and Risk Management teams during the acquisition phase. These corporate teams work hand-in-hand with the investment teams using, in particular, a common risk identification tool.

The Legal Department assists the investment team with analyzing investment transactions and monitoring the companies in which Eurazeo invests. Generally, it oversees compliance with legislation and regulations in countries when Eurazeo and its holding companies are established (France, Luxembourg and the United States), monitors the corporate affairs of Eurazeo and the companies within the consolidation scope of its holding companies, and coordinates the monitoring of legal developments.

The Legal Department is also responsible for insurable risks. Eurazeo has insurance policies with top-tier insurance companies. In particular, these policies cover: third-party liability for Eurazeo's corporate officers and representatives working at its subsidiaries and at companies in which it holds stakes, as well as professional third-party liability; "all risks with exceptions" relating to business premises; third-party liability for business operations and; personal accident insurance, covering Company employees during business trips ("personal accident" contract).

Finally, the General Counsel monitors the disputes and litigation to which Eurazeo is exposed.

Audit and Risk Department

The Audit and Risk Department has several roles:

- it takes part in the risk assessment and the conduct of due diligences during the investment project vetting phase, alongside the investment teams and the Legal and CSR Departments. It also assists portfolio companies with the implementation of their post-acquisition priority projects;
- it assesses Eurazeo's risk management and internal control processes and issues recommendations to strengthen efficiency. It reports hierarchically to the Chairman of the Executive Board, and functionally to the Chief Financial Officer. It also performs audits on the Eurazeo scope and in certain investments. The annual audit plan is approved by the Executive Board and reviewed by the Audit Committee, to which the Audit and Risk Department reports on the results of its work, primarily by presenting a summary of the most material risks identified.

The CSR Department

The CSR Department assists the investment team with the performance of CSR due diligence and with monitoring the investments in order to identify all CSR issues, opportunities and risks (see Section 2.1, Integration of CSR in investment policy). It also implements non-financial reporting, in accordance with the requirements of the Grenelle II law and assists the portfolio companies with the roll-out of their CSR progress plans.

The contribution of transversal committees

The creation of a certain number of committees that bring together various functions of the organization promotes the interaction required for the internal control system to work properly.

THE RISK COMMITTEE

The Risk Committee meets once a month. It comprises the Chief Financial Officer, the General Counsel, the Managing Director of Eurazeo Capital and the Internal Audit and Risk Director. It focuses on priority risks and monitors the implementation of related risk mitigation action plans, as well as progress with the work of the Audit and Risk Department.

THE MANAGEMENT COMMITTEE

The Management Committee, chaired by the Chief Financial Officer, brings together all managers in charge of corporate functions at Eurazeo. It meets twice a month to discuss current issues and ongoing projects that cut across the Company.

THE TREASURY COMMITTEE

The Treasury Committee primarily comprises the Chief Financial Officers of Eurazeo and Eurazeo PME, the Director of the Treasury-Financing Department and the Treasurer. It meets once a month. Its role consists in defining the treasury policy to be implemented, and adapting it in line with market conditions and the operating needs of Eurazeo.

3.4.1.3 An environment which seeks to promote honest and ethical behavior

Risk prevention and compliance with internal procedures is the responsibility of everyone in the Group. The internal control system is therefore based on an environment that promotes honest and ethical behavior, particularly through the communication of a certain number of essential principles, values and practices.

Internal rules

The Company's Internal Rules require employees to adhere to certain rules bearing on commercial practices (including the amount of gifts received from third parties), management of conflicts of interest and confidentiality.

Securities trading code of conduct

Eurazeo has a securities trading code of conduct that governs trading in Eurazeo SA shares by Executive Board members, Supervisory Board members and non-voting members. It was supplemented in 2012 by a securities trading code of conduct applicable to the members of the Executive Board and all employees of the Company, setting out their obligations in respect of inside information, the penalties applicable and the restrictions on the exercise of share purchase or subscription options and the sale of free shares. This charter governs transactions in Eurazeo SA shares, notably prohibiting transactions during the closed periods defined in accordance with AMF recommendation no. 2010-07 of November 3, 2010, but also trading in the securities of Eurazeo's subsidiaries or investments whose securities are traded on a regulated market. The code of conduct was updated in December 2016 to reflect the provisions of the Market Abuse Regulation and particularly the definitions of inside information and closely related persons, the penalties applicable and reporting obligations.

Code of Ethics

Eurazeo has a Code of Ethics that defines the values and principles that must guide the behavior of its employees and the stakeholders with which Eurazeo has a relationship. In particular, the Code covers respect for people and their privacy, data protection, management of conflicts of interest, the use of Company assets and the fight against corruption. Each employee formally undertakes to comply with this Code.

Fight against money laundering and terrorist financing

In the course of its acquisition and divestment activities, Eurazeo uses KYC (Know Your Client) procedures under the supervision of the Legal Department. These procedures are based on market practices.

Prevention of fraud and corruption

The application of best ethics practice is a commitment under Eurazeo's responsible shareholder policy. It is part of a process aimed at developing a strong and exemplary governance model, as defined in its Corporate Social Responsibility charter. In this process of continuous improvement, Eurazeo encourages its investments to implement best practices in the detection and prevention of fraud and corruption, adapted to the specific characteristics of each company.

Eurazeo has prepared a guide to anti-fraud and anti-corruption best practice for employees and investments. The management teams of investments are asked to comply with the recommendations contained therein. The principles of conduct and action cover topics including asset protection, the role of internal control, delegation systems, the reliability of the production of accounts and financial statements, relations with public officials, gifts given and received, business travel, conflicts of interest, relationships with suppliers, and the prevention of money laundering.

During the acquisition phase, close attention is paid to factors that encourage the emergence of fraud and corruption risks (activities, sectors, stakeholders, etc.).

An update on progress with measures to prevent fraud and corruption is presented and discussed in the meetings of the Audit Committees of the investments. This offers Eurazeo an opportunity to follow the roadmap of each investment and to monitor progress over time.

Eurazeo framework: communication of good internal control practices

In order to best satisfy the information needs of the audit committees of its investments, Eurazeo has progressively developed an internal control assessment system. Since 2009, the Company has developed a tool enabling the investments to rate themselves against a common framework of principles and best practices. This framework is based on general internal control principles developed in market frameworks, and primarily the AMF and COSO Reference Framework. This approach encourages the sharing of best practice between investments, rewards efforts and progress made and contributes to the production of uniform information that is comparable between investments. It is designed to evolve over time and continually adapt to meet Eurazeo's needs and those of its investments.

3.4.1.4 Internal control covering the preparation and processing of financial information

A. *Overview of the organizational structure and management of accounting and financial information*

The financial statements of the Eurazeo group are prepared in accordance with IFRS standards and interpretations as adopted in the European Union at the balance sheet date.

As parent company, Eurazeo SA defines and oversees the preparation of reported accounting and financial information. This process, which is under the responsibility of the Chief Financial Officer, is organized by the Consolidation Department. The Chief Financial Officers of investments are responsible for preparing the separate financial statements of investments and financial statements restated for consolidation purposes. These financial statements are prepared under the control of their respective Board members.

The Executive Board approves Eurazeo's separate and consolidated financial statements (interim and annual). Accordingly, it ensures that the processes for preparing accounting and financial information produce reliable information and give, in a timely manner, a fair view of the Company's financial position and results. It obtains and reviews all information that it deems useful, such as closing options, critical accounting positions and judgments, changes in accounting method, results of audits performed by the Statutory Auditors and explanations of the calculation of profit or loss, the presentation of the Statement of Financial Position and the Notes to the financial statements.

Members of the Audit Committee examine the annual and interim financial statements, and monitor the process for preparing accounting and financial information. Their conclusions are based mainly on information produced by the Chief Financial Officer and his team, exchanges with the team during Audit Committee meetings (held at least once every quarter) and the findings of internal audits. The Chairman of the Audit Committee reports on the Committee's work to the Supervisory Board.

B. *Processes for the preparation and processing of accounting and financial information for the consolidated financial statements*

Processes for the preparation and processing of the consolidated financial statements are organized and coordinated by the Consolidation Department. It establishes the consolidated financial statements under the responsibility of the Chief Financial Officer. The consolidated financial statements are produced using consolidation software.

Detailed consolidation instructions are essential to the preparation of the consolidated financial statements within the given deadlines. They are drafted by the Consolidation Department before each interim and annual closing, for the attention of the Finance Departments of the various consolidated operating sub-groups.

The key controls can be summarized as follows:

ANTICIPATION OF CONSTRAINTS RELATING TO THE CLOSING OF THE ACCOUNTS WITHIN A LIMITED TIME PERIOD

The closing schedule for accounts and the related instructions are prepared sufficiently in advance to enable the financial teams to organize their procedures and anticipate closing constraints. If Eurazeo identifies a risk of problems for an investment, it takes the measures necessary to help it meet the defined schedule.

DOCUMENTATION AND UPDATE OF THE CONSOLIDATION SCOPE

Before the balance sheet date, consolidated sub-groups must send a documented analysis of their scope to the Consolidation Department, which centralizes the information and reconciles it with the data in the investment management software monitored by Eurazeo's Legal Department.

CONTROL OF THE QUALITY OF THE CONSOLIDATION REPORTS OF INVESTMENTS

When the annual and interim financial statements are prepared, each subsidiary's consolidation report is reviewed by the Consolidation Department in order to ensure, in particular, that accounting policies and methods are correctly and uniformly applied. In addition, the software is configured to automate a certain number of consistency checks on the data in the reporting packages. The comments and requests for correction of the Statutory Auditors can reveal areas for improvement in internal control; these are shared with Eurazeo, which implements them when appropriate. All restatements and adjustment entries are examined by the Consolidation Department. Manual restatements are rationalized and explained.

Opportunities for improvement identified by the Consolidation Department as part of its review of the reporting packages are tracked with the investments.

IMPAIRMENT TESTS ARE PERFORMED WITHIN A SPECIFIC FRAMEWORK

The assumptions made and the results obtained during impairment tests by consolidated investments must successively be validated by members of the investment team (in charge of monitoring the investment), reviewed by the Consolidation Department, and then presented to the Executive Board, before being used to justify the value of corresponding assets in the restated financial statements.

C. Processes for the preparation and processing of the separate financial statements

Main measures implemented to ensure the quality of the separate financial statements of Eurazeo and its holding companies

CASH AND INVESTMENT TRANSACTIONS

The comprehensive and adequate recording in the accounts of investment and cash transactions is based on the interaction between three complementary departments: the Legal Department, the Treasury Department and the Accounting Department. The comprehensive recording of transactions relies on the reconciliation of transactions identified by the Accounting Department, with information collected by the Legal Department and the cash flows recognized by the Treasury Department.

Investments are valued in the separate financial statements in line with the results of impairment tests conducted for the preparation of the consolidated financial statements.

OFF-BALANCE SHEET COMMITMENTS INVENTORY AND MONITORING PROCEDURE

Eurazeo SA contracts are reviewed by the Legal Department, which records the corresponding commitments. Using the data obtained, the Legal Department and the Accounting Department work together to conduct a cross-analysis of the data held and to prepare a list of off-balance sheet commitments.

D. Financial communications

All financial communications are prepared by the Financial Communications and Investor Relations Departments, using as a guideline the general principles and best practices set out in the "Financial Communications Framework and Practices" manual issued by the *Observatoire de la Communication Financière* under the aegis of the AMF.

The Executive Board defines the financial communications strategy and presents a report on its implementation annually to the Audit Committee. All press releases are validated prior to issue by the members of the Executive Board. Furthermore, after validation by the Executive Board, press releases announcing interim and annual results are successively submitted to the Audit Committee and the Supervisory Board. The Supervisory Board committees can also be consulted in an advisory capacity on specific subjects, before the information is released. Press releases concerning periodic information are subject to a formal validation process, which has been presented to members of the Audit Committee. This process requires the communication of draft press releases concerning periodic information (in as near final versions as possible) to members of the Audit Committee for comment. Prior to the disclosure of "non-accounting" indicators (Net Asset Value and analytical earnings aggregates) to the market, detailed presentations of the components of the calculation and valuation are given at the meetings of Eurazeo's Audit Committee

Eurazeo does not communicate with analysts, journalists or investors during the four weeks prior to the release of the interim and annual results, or during the two weeks before the release of financial information for the first and third quarters.

3.4.2 MAIN RISKS AND UNCERTAINTIES

The main risk factors to which Eurazeo is exposed can be summarized as follows:

Eurazeo's objective	Risk factor	Risk management
• Have exemplary governance and be a responsible investor	• **Transparency/listed company**: communication of incorrect information to the market/third-party investors.	• Organization: human resources and processes implemented for the production, control and communication of information
	• **Cybercrime** and other IT risks	• IT security policy, security audits
	• Occurrence of a risk (CSR, regulatory, performance, security, other) including in an investment that reflects on Eurazeo's **reputation** (3.4.2.6 and 3.4.2.7)	• Governance implemented by Eurazeo in its investments • "CSR 2020" strategic plan
• Optimize the detection of investments liable to provide growth; ensure that investment decisions are taken with full knowledge of identifiable risks liable to affect its value ❶	• **Private equity market (competition, US market, etc.)** (3.4.2.4)	• 4 investment divisions and a transversal investment opportunities sourcing team
	• **Vetting of projects**: major risk not identified on acquisition resulting in the long-term in a loss in value (3.4.2.2)	• Governance role and vetting process (see Section 3.4.1.2)
	• **Investment capacity:** liquidity/resources necessary to complete good opportunities (3.4.2.8.4)	• Absence of structural debt within Eurazeo SA/€1 billion undrawn syndicated credit facility/Regular rotation of the portfolio
	• **Inappropriate investment strategy**	• Clear strategy: definition of 4 investment divisions and characteristics of resilient models* sought
	• **Co-investment strategy:** performance default	• In-depth due diligences on our partners/Shareholder agreements
	• **Dependency on key personnel** in Eurazeo and in the investments (3.4.2.5)	• Mechanism to align interests (co-investment)/Succession plans
• Achieve the planned transformation of each investment ❷	• **Legal or tax changes unfavorable** to buyout transactions (3.4.2.6)	• Anticipation and regulatory watch
	• Eurazeo held liable following **non-compliance with regulations** by an investment (3.4.2.6)	• Governance implemented by Eurazeo in its investments
	• Financial markets (3.4.2.8): **market/interest rate risks relating to bank debt, foreign exchange risk**	• Long financing maturities/anticipation of refinancing maturities/mix of floating-rate-fixed rate debt • Hedging strategy (interest rate, foreign exchange)
	• **Valuation of unlisted assets (3.4.2.1)**	• Rigorous internal valuation process (including external due diligence)
	• **Terrorism** and impact on the behavior of customers/consumers (3.4.2.3)	• Characteristics of resilient models* sought • Diversification of the portfolio • Preparation of crisis management
• Optimize the timing and the terms of the sale of its investments ❸	• **Macro-economic and political environment** altering investment, transformation/enhancement conditions (3.4.2.3)	• Characteristics of resilient models* sought • Diversification of the portfolio (sector and region)
	• Investments: **failure to implement the strategy**	• Management quality • Performance monitoring • Governance, Senior advisors
	• **Equity markets:** valuation of listed securities (3.4.2.1)/**Poor timing of exit**	• No limit on the investment period: Eurazeo retains control of the exit timetable • Exit options identified on acquisition • Exit planned well in advance

* *Company characteristics sought: growth potential, international potential (relayed by offices in the United States, China and Brazil), experienced management team, strong competitive advantage, barriers to entry, visibility and low sensitivity to the economic environment.*

Depending, in particular, on changes in the economic environment and market conditions, exposure to a risk factor and the magnitude of related risks are likely to vary. Accordingly, only those risks considered liable to call into question business continuity or material with respect to activity (financial impact, particularly, on Net Asset Value) and/or the development of the Company (impact, particularly, on its reputation and the human factor) are presented below. Information on financial risks is also presented pursuant to the French Commercial Code (Article L. 225-100). Other risks, not known or not considered material by Eurazeo at the date of this Registration Document, could also impact its activities.

In addition, this presentation is supplemented by an overview of disputes and litigation involving the Company (Section 3.4.2.9).

3.4.2.1 Risks relating to the exposure of the portfolio to the equity markets

Identification of risks

Following the IPO of unlisted investments in 2015 (Elis in February 2015, and Europcar in June 2015), the share of listed securities in Eurazeo's NAV was 42% as of December 31, 2015. Listed investments represent 31% of the NAV as of December 31, 2016. This decrease in the weight of listed investments in the NAV is mainly due to the sale of Moncler and Elis share blocks in 2016.

In the accounts, Eurazeo is directly exposed to equity risk in the amount of the consolidated net acquisition cost of its portfolio of listed investments, *i.e.* €1,745.2 million as of December 31, 2016 (see table below).

The Company may also be indirectly affected by a downturn in equity markets. Market fluctuations have an impact on the listed peers used to value unlisted assets, and could therefore have a negative impact on the Company's Net Asset Value.

Risk management

In addressing this direct exposure to equity risk of its listed securities, Eurazeo has no time constraints and can therefore sell its investments when market conditions are most favorable. In addition, if necessary, Eurazeo can implement hedging strategies.

Unlisted securities are valued primarily on the basis of comparable multiples. Such multiples can be based on market capitalization or on recent transactions, which by definition are sensitive to changes in the financial markets and economic conditions. The establishment of a panel of comparable companies necessarily involves estimates and assumptions, insofar as it requires reliance on pertinent comparability criteria. As part of the valuation of the Company's Net Asset Value (NAV), the fair value of these unlisted securities is measured twice annually (using the methodology presented on p.106) in accordance with the IPEV (International Private Equity Valuation) guidelines. Accordingly, by their very nature, and however much caution is used in determining them, valuations may prove to be very different from the exit price. To reduce this risk to an acceptable level, a number of internal and external diligences have been defined. Valuations are based on a rigorous internal process, the results of which are reviewed by an independent appraiser on the basis of a multi-criteria approach, at the close of each year and half-year.

(In millions of euros)	Value based on the share price as of 12/30/2016	Value in the consolidated balance sheet as of 12/31/2016	Acquisition cost	Change in consolidated equity (aggregate) *(In millions of euros)*	Change in consolidated equity (aggregate) %	Pre-tax impact of a 10% fall in the share price *(In millions of euros)*	Comment
AccorHotels	431.7	431.7	406.7	25.0	6%	(43.2)	All fair value movements are recognized directly in profit or loss.
Moncler	394.0	394.0	364.7	29.3	8%	(39.4)	
Financial assets at FV through P&L	**825.7**	**825.7**	**771.4**	**54.4**	**7%**	**(82.6)**	
Elis	312.8	239.3	252.4	(13.1)	-5%		No direct impact on the financial statements apart from the need to conduct impairment tests when the share price is below the consolidated value
Europcar	670.3	695.8	672.1	23.7	4%		
Equity-accounted investments	**983.1**	**935.1**	**924.5**	**10.6**	**1%**		
ANF	194.3	264.2	49.4	214.9	435%	No direct impact on the financial statements. The fair value of properties is substantiated by a report prepared by two experts	
Listed subsidiary	**194.3**	**264.2**	**49.4**	**214.9**	**435%**		
TOTAL LISTED ASSETS	**2,003.2**	**2,025.1**	**1,745.2**	**279.9**	**16%**		
Restatements [1]	(392.6)						
TOTAL LISTED ASSETS excluding non-controlling interests, net of debt [2]	**1,610.6**						

(1) Restated for non-controlling interests and LH19/AccorHotel debt, excluding non-controlling interests.
(2) In the NAV, listed assets are valued based on the average over the 20 days preceding the valuation date, of average daily share prices weighted for trading volumes. As of December 31, 2016, total listed investments are valued in the NAV at €1,582.4 million. The difference compared with "Listed Assets excluding non-controlling interests, net of debt" in the above table is due to the valuation method: closing share price vs. weighted average share price over the last 20 trading days.

3.4.2.2 Risks related to the vetting of investment projects

Identification of risks

Making investments in target companies may expose the Company to a number of risk factors, potentially leading over time to a loss of value for the relevant investment. These risks include:

- the overvaluation of the acquisition target, due for example to:
  - the insufficient capacity of the target company and its management to meet its business plan targets,
  - the undermining of the target company's business model (*i.e.* technology break, adverse change in the regulatory environment, etc.) or any other unknown factor liable to lessen the consistency and reliability of management's business plan,
  - the failure to identify or under-estimation of a significant liability or the incorrect valuation of certain assets;
- the lack of reliability of financial and accounting information relative to the target company: erroneous information may be provided when prospective investments are vetted, deliberately or otherwise;
- litigation and disputes liable to arise with sellers or third parties: these may relate to the insolvency of the seller and his or her guarantors when applicable (making it difficult to implement guarantees), or to a change in management (which may threaten contracts with key suppliers or clients).

Risk management

Eurazeo's policies for managing these risks rely in large part on in-depth due diligence procedures and compliance with strict investment criteria. Prior to any acquisition, during the period when a prospective investment is vetted, Eurazeo performs a comprehensive analysis of the investment risks. This process was strengthened in 2015: in addition to the investment team responsible for the deal, the CSR, Risk Management and Legal Departments are systematically involved in this process under the supervision of the General Counsel (see Section 3.4.1.1, above). Based on this analysis, in-depth due diligence procedures are conducted in strategic, operating, financial, legal and tax areas, generally by third parties. This comprehensive work encompasses environmental, social and governance issues. On a case-by-case basis, risks identified can be covered by warranties negotiated with sellers. At the same time, in reviewing prospective investments, Eurazeo places a great deal of importance on the following investment criteria: barriers to entry, profitability, recurrence of cash flows, growth potential and a shared investment vision with management. At the various stages of the vetting process, the risks associated with the target investment are assessed, documented and reviewed regularly during weekly meetings of the investment teams and at Executive Committee meetings, up until presentation to the Finance Committee, and/or the Supervisory Board.

In addition, the fact that the teams dedicated to the various investment divisions (Capital, Patrimoine, Croissance and PME) are backed by the Eurazeo Development team further strengthens the quality with which investment projects are prepared. This approach makes it possible to conduct in-depth reviews of potential opportunities well in advance of a sale process and, importantly, to form an opinion about the vendor and the fundamentals of the target.

3.4.2.3 Risks relating to the geographic exposure of the portfolio

Identification of risks

Generally speaking, adverse change in the economic environment and a deterioration in the business climate, particularly in Europe, can alter investment, transformation, enhancement and divestment conditions for Eurazeo's investments. Unfavorable economic prospects are liable to have an adverse impact on the future performance of certain investments, potentially requiring Eurazeo to record an impairment loss on goodwill and intangible assets in its consolidated financial statements (see also Section 3.4.2.8.6, p. 212). As regards the geographic spread, the current portfolio investments operate mainly in Europe, making their performance particularly sensitive to the economic environment in that region. In addition to the economic environment, external factors such as terrorist acts can have negative consequences on consumer, savings and/or investment behavior in a geographic area (in the same way as the terrorist attacks in Paris in 2015 and 2016). Depending on their business model, the activities of Eurazeo's majority-owned investments have differing levels of sensitivity to changes in the economic environment.

Furthermore, political current events (presidential elections in the United States and France, the United Kingdom's exit from the European Union) create uncertainty in the economies of regions where certain Eurazeo investments operate. It still too early to obtain a clear idea of the repercussions Brexit will have on the global economy and on the strategy, activities and organization of companies.

Risk management

Eurazeo has elected to emphasize investment in growing companies with a resilient business model.

Several avenues of growth have been identified: targets benefitting from major societal trends (aging of the population in Western economies, development of healthcare and renewable energies, rise of the middle classes in emerging markets, changing consumer patterns) such as healthcare, luxury and brands, technology and digital, financial services, the environment and energy transition.

In addition, for several years now, Eurazeo has established a structure built around four teams dedicated to specific investment styles:

- Eurazeo Capital: Eurazeo's traditional investment activity focused on significantly sized companies (enterprise value of more than €150-200 million);
- Eurazeo Croissance: equity investments in high-growth companies, particularly in sectors driven by digital transformation and focusing on changes in lifestyle and consumption;
- Eurazeo PME: investments in small and medium-sized enterprises (enterprise value of less than €150-200 million), that are market leaders with significant capacity to maximize growth transactions; and
- Eurazeo Patrimoine: management and investment activities relating to Eurazeo's real estate assets.

These dedicated teams enable Eurazeo to widen the conditions of doing its business.

To support the international growth of its investments, Eurazeo opened an office in China at the beginning of 2013 and in Brazil in 2015. Acquisitions and build-ups over the last two years highlight the Group's development across a range of geographic areas: Elis in Brazil, Asmodee in the United States and and Neovia (Brazil, Mexico, Asia). Eurazeo's desire to strengthen its international ecosystem and facilitate the acceleration of its investments internationally was highlighted in 2016 by the opening of an office in New York. Eurazeo PME's strategy is also founded on diversification and a balanced portfolio, in terms of both geographical coverage and the sensitivity of its investments' business models to the economic environment.

With regards to Brexit, even if the UK contributes relatively little to the consolidated performance of the Group (see Section 3.4.2.8.3), Eurazeo remains extremely prudent in its forecasts and key assumptions. It will also pay close attention to future developments in order to factor in as early as possible any consequences likely to negatively impact the most exposed investments.

3.4.2.4 Risks relating to competition with other market players

Identification of risks

The Company operates in a competitive market due to the existence of a large number of private equity players. Strong competition for the most sought after assets, in a context of plentiful capital, can lead to very high acquisition prices or the retention of a significant cash position negatively impacting the Company's performance. Competition can also result in Eurazeo spending considerable time and expense on investment candidates where Eurazeo's proposal is not selected or see the loss of attractive opportunities.

By opening an office in New York in 2016 (Eurazeo North America) and pursuing the goal of direct investment in US companies, Eurazeo is now active in the number one private equity market in the world and must get to know this market which has its own characteristics and an extremely large number of players.

Risk management

Eurazeo's organization into four divisions (Capital, Patrimoine, Croissance and PME), combined with a team focusing investment on growth companies with positive underlying economic trends, helps identify and examine opportunities, and better understand vendors at a very early stage. This approach, which primarily seeks to identify proprietary deals, offers a competitive edge in the sales process and can reduce exposure to the competition inherent to brokered deals; 2016 is a good example with several transactions negotiated directly with industry and service sector players.

Eurazeo has formed a team of American and French investors as part of the roll-out of its activities in the United States. This team is supported by senior advisors with considerable experience in the industrial sector and an extensive business network in the United States, valuable in understanding the specific characteristics of the American private equity market.

3.4.2.5 Risks relating to dependence on key personnel

Identification of risks

Eurazeo's capacity to seize the right investment opportunities, to optimize the engineering of its acquisitions and to capitalize on the value-creation potential of its investments relies on its reputation, its networks, the skill and expertise of its Executive Board members and its Investment Officers. As such, the departure of one or several of these key people could have an adverse impact on Eurazeo's business and organization. Such a departure could alter not only the deal flow and projects underway at the time, but could also affect the management of Eurazeo's teams and the Company's relations with the management of its investments or with its co-investors.

Similarly, the departure, prolonged absence or loss of confidence of key people in the management team of one of our investments, for whatever reason, could have an impact on operations and the implementation of the investment's strategy. The existence of a shared investment vision with management is central to Eurazeo's investment criteria. During the development phase, Eurazeo's teams and the management teams of each investment work in a completely open manner to set out a clear vision of the goals to be achieved and action to be taken in the short-, medium- and long-term. The management of the Company's investments has played – and continues to play – an important role in adapting to economic conditions.

Risk management

To minimize this risk, Eurazeo makes the alignment of the interests of investment shareholders, teams and management a key factor in promoting the continuity of management teams and value creation, notably through co-investment mechanisms. The Company also places emphasis on its close, regular and strong relations with management teams in its investments and the preparation of the succession of key people.

3.4.2.6 Risks relating to legal, regulatory and tax constraints

Identification of risks

As a private equity investor and a listed company on a regulated market, Eurazeo could be adversely affected by changes to the legislative, regulatory and tax environments.

For instance, private equity transactions could lose their appeal in the event of very unfavorable changes in the tax environment. Generally speaking, for investments, increases in corporate taxation in France and in some other European Union countries is liable to alter the performance of subsidiaries in the countries concerned.

Majority-owned investments operate throughout the world, and are subject to national and regional laws and regulations, depending on the country. The activities of these investments are liable to be affected by a wide range of texts (certain with extraterritorial application) primarily relating to corporate law, tax law, employment law, anti-trust law, consumer law, export controls and the fight against corruption. All of the investments have mechanisms in place to minimize the risk of non-compliance with these texts. For some regulations, such as anti-trust law, Eurazeo's liability as controlling entity may be triggered. Finally, in the course of their various operations, the investments are liable to become involved in litigation, or in legal, arbitration or administrative procedures.

Risk management

Eurazeo and its investments ensure the implementation of efficient compliance programs adapted to the challenges. The post-acquisition projects generally offer investments the opportunity to strengthen their compliance programs based on the risk assessment performed during the due diligence phase.

As part of its monitoring of the investments, each Audit Committee then fully plays its role when monitoring the efficiency of the compliance systems.

3.4.2.7 Risks relating to corporate social responsibility

Identification of risks

In the same way as the recent law in France on the duty of vigilance (which seeks to introduce an obligation of vigilance for parent companies and contracting companies with respect to subsidiaries, sub-contractors and suppliers), a trend can be observed towards making transnational companies accountable for the actions of their subsidiaries and even their sub-contractors. This accountability seeks to prevent the occurrence of tragedies in France and abroad and to obtain compensation for victims in the event of human rights violations or environmental damage. Over and above a potential attempt to trigger Eurazeo's liability should this type of risk arise in one of its subsidiaries or their sub-contractors, there is a risk to Eurazeo's reputation.

Depending on the location and nature of the activity, the impacts of climate change may be identified as material and a source of financial risk. The potential impacts may touch production, the health and safety of employees, operating costs or insurance:

- direct physical risks in the short-term (e.g. floods resulting in damage or an activity shut-down) or the longer term (long-term success, quality of access to and supply of critical resources: raw materials, water or energy; relocation of the business due to rising sea levels, etc.);
- transition risks: ability of the Company to adapt to the impact of climate change depending on the resilience of its activity, its business model and its industrial model.

Risk management

First and foremost, Eurazeo is careful not to interfere in the management of its investments and strives to respect the automony of the legal entities in which it invests. Eurazeo informs its portfolio companies of changes in regulations and helps them implement vigilance/compliance programs.

In addition to sisting the investments with CSR issues (see p. 116), the CSR Department ensures the communication of good practices to the subsidiaries, particularly with respect to sub-contractor and supplier due diligence. Since 2015, Eurazeo uses a risk assessment tool encompassing, notably, the challenges relating to this duty of vigilance. This tool is used during the acquisition phase and should be progressively rolled-out in all the subsidiaries.

Climate change risks are analyzed for all opportunities studied. Specific due diligence procedures may be performed to determine the extent of the Company's exposure to physical risks, as well as transition risks. Actions plans are drawn up where appropriate following an analysis of these risks. The monitoring and roll-out of these actions plans is presented in Section 2.1.3, p. 115 and 116.

3.4.2.8 Other financial risks

3.4.2.8.1 Interest-rate risk

The exposure of Eurazeo and its consolidated investments to interest-rate risk mainly concerns medium- and long-term floating-rate loans. The Group has a policy of managing its interest-rate risk by combining fixed- and floating-rate loans, benefiting in part from interest-rate hedges. In this context, the Company and its consolidated investments are likely to set-up a number of interest-rate hedging instruments. Eurazeo is also exposed with respect to the value of certain of its assets and notably real estate assets (Patrimoine division) in the event of an increase in interest rates.

As of December 31, 2016, borrowings (see Note 9.1 to the consolidated financial statements) broke down as follows:

(In million of euros)		12/31/2016	Fixed rate	Floating rate Hedged	Floating rate Not hedged	Debt maturity
	Other loans	104.4	10.4	-	-	
Holding company sub-total		**104.4**	**104.4**	**-**	**-**	
ANF Immobilier	Loan	525.9	68.2	40.1	417.6	2020-2021
	Other loans	0.3	-	-	0.3	
CIFA Assets	Finance lease	166.9	-	-	166.9	2027
Grape Hopitality	Loan	326.5	11.8	307.2	7.5	2023
	Other loans	1.2	1.2	-	-	2021
Eurazeo Patrimoine sub-total		**1,020.8**	**81.2**	**347.3**	**592.3**	
Legendre Holding 19	Loan	149.5	-	-	149.5	2017
Asmodee	Bond issue	3.2	-	-	3.2	2017
	Loans	238.4	-	-	238.4	2021
	Other loans	14.3	13.0	-	1.3	2017-2023
Fintrax	Loans	266.1	-	-	266.1	2019-2022
	Other loans	6.9	-	-	6.9	2017
Novacap	Loans	452.9	4.9	170.0	278.0	2022-2023
	Other loans	0.4	0.4	-		2018
Sommet Education	Loans	153.3	-	-	153.3	2023
	Other loans	0.1	0.1	-	-	2017
Eurazeo Capital sub-total		**1,285.1**	**18.4**	**170.0**	**1,096.7**	
	Loans	414.4	49.3	37.1	328.0	2017-2023
	Bond issues	189.2	45.7	87.1	56.3	2021-2026
	Other debt and interest	67.2	28.4	10.8	28.0	2017-2031
Eurazeo PME sub-total		**670.8**	**123.4**	**135.0**	**412.4**	
TOTAL NET DEBT		**3,081.1**	**327.3**	**652.4**	**2,101.3**	

32% of total net debt is either hedged within the meaning of IFRS (by derivatives qualifying for hedge accounting) or at fixed rates, and are without recourse against Eurazeo. Moreover, in accordance with IFRS 7, a sensitivity analysis of the impact of a change in interest rates (instant impact of a +/100 basis point shock along the entire yield curve, occurring on Day 1 of the fiscal year and remaining constant thereafter) is presented in Note 9.5.2 to the consolidated financial statements (p. 263).

In order to limit exposure to interest rate fluctuations, hedging derivatives are generally used to hedge investment financing. As of December 31, 2016, out of total net debt of €3,081.1 million, over 70% of the nominal amount is at fixed rates or hedged by interest rate hedging derivatives. For accounting purposes, these derivatives do not always qualify for hedge accounting pursuant to IFRS.

Eurazeo SA does not have any significant interest-bearing assets.

3.4.2.8.2 Risks relating to the bank debt market

Eurazeo's private equity business requires it to secure bank debt (*i.e.* leverage) to finance part of its acquisitions. In such cases, Eurazeo generally buys stakes through a holding company formed specially to house the investment, acquired through bank financing.

Depending on fluctuations in bank debt markets which can retract occasionally, the Company may be required to adapt and adjust the means of financing its acquisitions.

With regard to the financing already in place in older investments, and in view of the prevailing market conditions, teams work upstream at an early stage, depending on the project and financing maturities, to monitor the renegotiation of financing, the engineering of alternative financing sources and/or the preparation of exit timetables (initial public offerings, sale, etc.).

3.4.2.8.3 Foreign-exchange risk

The exposure of the performance of Eurazeo's investments to foreign-exchange risk is limited chiefly, for controlled companies, to the presence of Fintrax, Sommet Education and Asmodee outside the Eurozone and the operations of equity-accounted groups outside the Eurozone (notably AccorHotels, Moncler, Elis, Europcar and InVivo NSA). These subsidiaries operate exclusively in local currencies. The implementation of efficient foreign exchange hedges can prove difficult in certain geographic areas (Brazil). As regards Brexit, Eurazeo's exposure to the pound sterling remains limited; in 2016, British subsidiaries contributed less than 7% of consolidated adjusted EBITDA.

When Eurazeo performs investments in non-euro currencies, it may enter into standard hedging transactions (currency forwards or options) to reduce the foreign exchange exposure between signature and completion.

For portfolio investments outside the euro zone, Eurazeo may enter into foreign exchange hedges during the life of the investment in order to hedge the value of the underlying asset through currency forwards, options or tunnels. However, it is not always possible to fully eliminate foreign exchange risk and hedging transactions can ramp-up the cost of an investment.

3.4.2.8.4 Liquidity risk

Eurazeo must have sufficient financial resources at all times to finance not only its day-to-day operations, but also to maintain its investment capacity. It manages liquidity risk by constantly monitoring the duration of its financing, closely monitoring the financing terms of its investments, ensuring that it always has available credit facilities, diversifying its resources and regularly rotating its portfolio.

Eurazeo has a €1 billion revolving syndicated credit facility maturing in 2021. This facility was undrawn as of December 31, 2016 and provides Eurazeo with significant financial flexibility. Eurazeo also manages its available cash balance with prudence by investing it primarily in liquid money-market investments. It has cash-management agreements in place with its investment vehicles in order to optimize the centralization and mobilization of available resources.

Debt is secured under loan agreements containing the usual legal and financial covenants for this type of transaction, providing for early repayment if undertakings are breached. It should be noted that subsidiaries' debts are without recourse against Eurazeo's balance sheet. However, within the framework of insolvency proceedings, creditors may sometimes attempt to invoke the responsibility of the parent company, which is the head company of the Group. In addition, Eurazeo monitors its investments' compliance with bank covenants very closely.

The main maturities for most of the Company's investments now extend from 2019 to 2028, and the capacity to retain or extend these facilities is hinged largely on market forces. As maturities approach, investment teams take action upstream to negotiate the extension of the financing, the implementation of alternative resources or the optimization of investment exit scenarios.

3.4.2.8.5 Counterparty risk

Eurazeo's counterparty risk with respect to its liquidities and marketable securities is limited to well-known and respected banks; its liquid investments are timed in accordance with its projected needs. Notwithstanding these caveats, short-term investments must comply with limits, reviewed regularly, in terms of both credit risk and the volatility of investment supports. Counterparty risks are reviewed each month by the Treasury Committee. Eurazeo was not affected by any counterparty defaults in 2016.

In managing its cash balances, Eurazeo monitors risk diversification on a permanent basis. It invests its available cash chiefly in swappable negotiable debt securities, shares of mutual funds, term accounts and demand accounts.

Three levels of prudential rules aimed at protecting investments from interest-rate and counterparty risks (default) have been established:

- selection of banks and issuers (minimum rating of A2/P2 unless approved by the Treasury Committee);
- nature of authorized investments;
- investment ratio: maximum of 5% of issuer's outstandings (unless approved by the Treasury Committee);
- maximum maturity of 6 months (unless approved by the Treasury Committee);
- liquidity of investments.

3.4.2.8.6 Risks relating to the impairment of certain intangible assets

As part of the allocation of the purchase price of acquired companies or groups, significant amounts can be recognized in the consolidated balance sheet in respect of goodwill and certain other intangible assets, the estimated useful life of which is indefinite (mainly brands). As of December 31, 2016, the net value of goodwill and intangible assets with indefinite useful lives was €1,462 million and €393 million, respectively. In accordance with the accounting methods used by Eurazeo, these assets are not amortized; they are tested for impairment at least annually and whenever events or circumstances indicate that impairment may have occurred. An unfavorable change in business forecasts or the assumptions used for projecting future cash flows in the impairment tests may result in the recognition of significant impairment losses.

The business plans of investments used in the impairment tests are established on the basis of management's best estimate of the impact of the current economic situation. Sensitivity to changes in the different assumptions is analyzed for each cash-generating unit (CGU). The key assumptions underlying the impairment tests and sensitivity analyses are described in Note 6.4 to the consolidated financial statements (p. 248 and 249).

3.4.2.9 Litigation

ANF Immobilier Chief Executive Officer and Real Estate Director

Proceedings are currently underway following the dismissal and subsequent layoff of ANF Immobilier's Chief Executive Officer and its Real Estate Director in April 2006:

- the dismissed employees have filed damage claims with the Paris Industrial Tribunal (*Conseil des Prud'hommes*). The former Chief Executive Officer is seeking €4.6 million (of which €3.4 million from ANF Immobilier and €1.2 million from Eurazeo) and the former Real Estate Director is seeking €1.0 million;
- the former Chief Executive Officer has also brought a suit against ANF Immobilier before the Paris Commercial Court, in his capacity as a former corporate officer;
- a former supplier has also filed a suit before the above tribunal.

Prior to the filing of these Industrial and Commercial court proceedings, ANF Immobilier lodged a complaint with an investigating magistrate (*juge d'instruction*) in Marseilles. It launched a civil suit pertaining to acts allegedly committed by the above-mentioned former supplier, as well as the two former Directors and other individuals. A criminal investigation is currently underway, and the police in Marseilles has been tasked with gathering evidence. ANF Immobilier's former Chief Executive Officer and Real Estate Director have each been indicted and placed under judicial control. The former supplier has also been indicted and was remanded in custody for several months.

On March 4, 2009, the judicial investigation office (*chambre de l'instruction*) of the Court of Appeal in Aix-en-Provence handed down a ruling confirming the validity of the indictment of ANF Immobilier's former Chief Executive Officer and, hence, the existence of serious evidence that corroborated claims that he misused company assets to the detriment of ANF Immobilier. The investigating magistrate also ordered a further audit, the report of which was expected in 2011, but was only submitted to the court during the first quarter of 2014. In March 2015, the Public Prosecutor requested the transfer of the case before the criminal court.

Given the close links between the criminal and civil aspects of this case, the Industrial Tribunal granted ANF Immobilier's request for a stay of proceedings.

TPH-TOTI case

As successor in interest to Eurazeo, ANF Immobilier hired a private contractor, Philippe Toti (TPH), to renovate some of the properties in its real estate portfolio in Marseilles. Just as criminal proceedings were being brought before the Marseilles investigating magistrate, in particular against ANF Immobilier's former supplier for receiving stolen goods and collusion, ANF Immobilier became aware that the latter had not provided the material and human resources required to fulfill his contractual obligations.

A bailiff engaged by ANF Immobilier reported that work on the building sites had ceased. Following this report, ANF Immobilier terminated its construction contract with its former supplier on June 19, 2006.

Separately, the former supplier and his company's liquidator issued ANF Immobilier with a summons to appear before the Paris Commercial Court on February 16, 2007.

ANF Immobilier requested that proceedings be suspended or deferred until an unspecified date pending the final ruling in the civil suit brought by ANF Immobilier before the criminal court (Marseilles District Court) in which it accused the entrepreneur Mr. Toti of receiving stolen goods and misuse of company assets.

The Paris Commercial Court Presiding Judge issued a stay of proceedings on November 26, 2009 pending the criminal court ruling.

The Paris Commercial Court will only examine the admissibility and merits of the claims made by Mr. Toti and the liquidator of the company TPH once the criminal court has handed down its final ruling on the complaint brought by ANF Immobilier.

Groupe B&B Hotels

B&B Hotels is involved in several disputes with certain of its former managing agents, who are requesting that their management contracts be requalified as employment contracts. Groupe B&B Hotels disputes these claims, which are currently under investigation. Pursuant to the sale of Groupe B&B Hotels, Eurazeo and the other sellers accepted under certain conditions to continue to bear part of the damages potentially arising as a result of these disputes and similar disputes that could arise in the future. A cap was set on the total amount of damages payable by sellers and split among them. This vendor warranty only covers requests submitted by the buyer of Groupe B&B Hotels before March 31, 2012. No amounts were called or paid in 2016.

Gilbert Saada

Gilbert Saada initiated a legal action against the Company before the Paris District Court (*Tribunal de Grande Instance* of Paris) on May 23, 2011, notably for the purpose of appointing an expert to value the equity of the Company and on this basis to determine the average valuation of the amounts potentially due to him under the co-investment program. The Company has disputed those claims, and the Court fully dismissed Mr. Saada's suit on July 6, 2011. On August 31, 2011, the Company received, at the request of Mr. Saada, a summons to appear before the Conciliation Board of the Paris Industrial Court concerning the conditions of Mr. Saada's dismissal. A hearing was held on January 18, 2012, during which the Court noted the absence of conciliation between the parties. The Paris Industrial Court, in a ruling dated December 11, 2012, declared that it had no jurisdiction in this matter, and dismissed all claims by Gilbert Saada. Mr. Saada appealed this ruling. On June 9, 2015, the Paris Appeal Court confirmed this ruling and dismissed Gilbert Saada's new claims. Mr. Saada's filed an appeal which was dismissed in full by the Labor Chamber of the Court of Cassation in an order dated February 1, 2017.

General comment

With the exception of the Groupe B&B Hotels case, no provisions were booked in relation to the above disputes in Eurazeo's accounts for the year ended December 31, 2016. To Eurazeo's knowledge, there are no governmental, judicial or arbitration procedures underway or pending that could have, or have had in the last 12 months, material impacts on Eurazeo's and/or the Group's financial positions or profitability

Eurazeo cannot rule out future claims or disputes stemming from events or facts that are currently unknown or which present associated risks that cannot yet be identified and/or quantified. Such cases could potentially have an adverse impact on the Company's financial position or earnings.

3.5 REPORT BY THE CHAIRMAN OF THE SUPERVISORY BOARD ON THE COMPOSITION [1], THE CONDITIONS OF PREPARATION AND ORGANIZATION OF THE BOARD'S WORK AND THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY EURAZEO

Pursuant to the provisions of Article L. 225-68 of the French Commercial Code, the purpose of this document is to report on the composition of the Supervisory Board and the application of the principle of balanced representation of women and men within it, the conditions of preparation and organization of the Supervisory Board's work, and the internal control and risk management procedures implemented by Eurazeo, including the financial risks related to the impacts of climate change and the measures taken to roll-out a low carbon strategy. The information required by Article L. 225-100-3 of the French Commercial Code is contained in this Registration Document (Section 6.6, Factors affecting a potential takeover bid, p. 355). The specific procedures regarding the participation of shareholders at the Shareholders' Meeting are set out in Article 23 of Eurazeo's Bylaws (Section 6.1 of the 2016 Registration Document, p. 340). The rules and principles adopted by the Supervisory Board determining the compensation and benefits of all kind awarded to corporate officers are presented in the 2016 Registration Document (Section 3.2, Compensation and other benefits received by corporate officers).

The work underlying the drafting of this report was managed and coordinated by Eurazeo's Internal Audit Department. It relies on the contribution of all divisions and services, which constitute Eurazeo's internal control stakeholders (the roles of these players are presented in Section 3.4.1 of the 2016 Registration Document, p. 199 *et seq.*).

The organization and drafting of this report were based on generally accepted frameworks for corporate governance and internal control. Section 1 of this report (Section 3.5.1, p. 214 to 217 of the 2016 Registration Document) on the work of the Supervisory Board was drafted based on the AFEP-MEDEF Code, available on the AFEP and MEDEF websites and its application guidance. Section 2, which is devoted to the internal control and risk management system, was drafted based on the internal control reference framework issued by the French Financial Markets Authority (AMF Framework) [2], and its application guidance concerning risk management and internal control for financial and accounting information. Lastly, procedures performed generally took account of the reports and recommendations issued by the AMF on corporate governance, the Audit Committee, risk management and internal control.

The members of the Audit Committee reviewed a draft version of this report at their meeting of March 9, 2017. The final report was approved by the Supervisory Board at its meeting of March 16, 2017.

3.5.1 PREPARATION AND ORGANIZATION OF THE SUPERVISORY BOARD'S WORK

3.5.1.1 Composition and activities of the Supervisory Board

The Supervisory Board permanently oversees the management of the Company by its Executive Board. Its members are renowned business leaders from various sectors of the economy. The Supervisory Board's Internal Rules set forth its operating rules, specifically addressing matters such as participation at Board meetings, independence criteria, the holding of meetings, communications with Board members, prior authorizations of certain transactions by the Supervisory Board, the setting up of committees within the Board, the compensation of its members and ethics issues. They were updated by the Supervisory Board meeting of December 8, 2016 to take account of the AFEP-MEDEF Code published in November 2016. The Supervisory Board's Internal Rules are set out in full in Section 3.1.5 of the 2016 Registration Document (p. 173 to 178).

Throughout the year, the Supervisory Board performs the checks and controls it deems warranted, and may request any document it considers necessary to carry out its duties.

The Executive Board submits a monthly report to the Chairman of the Supervisory Board on Eurazeo's investments, cash position, transactions and debt, if any.

In accordance with the Company's Bylaws, the Executive Board submits a report to the Supervisory Board at least once every quarter on the Company's main managerial acts and decisions, including all information that the Board may require to be kept abreast of the Company's business, along with separate quarterly financial statements, and separate and consolidated interim and annual financial statements.

Within the prescribed regulatory time limit following the end of each fiscal year, the Executive Board submits the separate annual financial statements, consolidated financial statements and its report to the Shareholders' Meeting. The Supervisory Board reports its observations on the Executive Board's report and the separate and consolidated annual financial statements to the Annual Shareholders' Meeting.

(1) *Including the application of the principle of balanced representation of women and men.*
(2) *Risk management and internal control systems: Reference framework. July 22, 2010.*

The Supervisory Board meets as often as Eurazeo's interests require, and at least once per quarter.

The composition of the Supervisory Board is presented in the table in Section 3.1.3, Supervisory Board, of the 2016 Registration Document (p. 158), which is an integral part of this report.

As of December 31, 2016, Eurazeo's Supervisory Board comprises thirteen members, including one member representing employees.

The terms of office of three members of the Supervisory Board will expire at the Shareholders' Meeting of May 11, 2017. Shareholders will be asked to renew the term of office of Stéphane Pallez and to appoint Anne Dias as members of the Supervisory Board for a period of four years.

Subject to the approval of the aforementioned resolutions renewing the term of office of Stéphane Pallez and appointing Anne Dias, at the end of the Shareholders' Meeting of May 11, 2017, the Supervisory Board will comprise five women out of the eleven members taken into account in calculating the proportion of men and women on the Supervisory Board (the member representing employees is not taken into account in this calculation), or 45% of Supervisory Board members.

At its meeting of November 25, 2016, the Compensation and Appointment Committee reviewed the independent status of each Board member. This status (as presented in the table in Section 3.1.3, Supervisory Board, of the 2016 Registration Document, p. 160) was reviewed by the Supervisory Board at its meeting of December 8, 2016.

Activities of the Supervisory Board in 2016

The Supervisory Board met eight times in 2016 (also eight times in 2015). The average attendance rate was 81.73%.

During each meeting, a summary presentation of the issues on the agenda is presented. This presentation is opened to questions, and is followed by discussions before resolutions are put to the vote. Detailed minutes are then sent to members of the Supervisory Board for comment before being approved by the Supervisory Board at the next meeting.

The Supervisory Board devotes a large part of its activity to defining the Company's strategic priorities, including the review of investment and divestment projects. At each meeting, the Supervisory Board reviews the business environment and, when appropriate, the results of portfolio companies, Eurazeo share price trends and the cash position and debt of Eurazeo and portfolio companies. It examines the separate quarterly financial statements, and the separate and consolidated interim and annual financial statements, and reviews the press releases relating thereto. It authorizes the conclusion of regulated agreements, deposits, endorsements and guarantees given by Eurazeo, and the implementation of the share buyback program in accordance with the authorization granted by the Shareholders' Meeting.

The compensation of Executive Board members and, in particular, the assessment of their achievement of quantitative and qualitative criteria in order to determine 2015 variable compensation and the setting of quantitative and qualitative criteria for 2016 variable compensation, was reviewed in-depth by the Compensation and Appointment Committee and then the Supervisory Board. In accordance with Article 26 of the AFEP-MEDEF Code, the components of compensation due or awarded to each executive corporate officer in respect of the year ended December 31, 2016 will be subject to the advisory vote of shareholders at the Shareholders' Meeting of May 11, 2017 (these items are disclosed in the tables on pages 373 to 382 of the 2016 Registration Document). Furthermore, in accordance with Article L. 225-82-2 of the French Commercial Code, the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Supervisory Board in 2017 will be presented for approval to the Shareholders' Meeting of May 11, 2017.

All topics addressed in 2016 by the Supervisory Board required considerable upstream mobilization by the Supervisory Board committees. The main issues examined by the Board committees during 2016 are presented in Section 3.1.4, Board committees, of the 2016 Registration Document (p. 171 to 173).

3.5.1.2 Board committees

The Supervisory Board has set up four committees: the Finance Committee, the Audit Committee, the Compensation and Appointment Committee and the Corporate Social Responsibility (or CSR) Committee.

All four committees are permanent committees. Although the length of committee membership coincides with the member's term of office on the Supervisory Board, the Board may change the composition of its committees at any time, removing a member from a committee.

The duties and operating rules of the committees are set out in their respective charters, which are an integral part of the Supervisory Board's Internal Rules. The Audit Committee charter was amended by the Supervisory Board on December 8, 2016 to clarify the duties of Committee members following the entry into effect of the Order of March 17, 2016 on audit reform.

Sections 3.1.4, Board committees (p. 171 to 173), and 3.2.1, Principles governing the compensation of corporate officers (p. 179 *et seq.*) of the 2016 Registration Document present in detail the composition, activities and number of meetings of these committees in 2016, as well as the principles for determining the compensation of individual corporate officers. These sections are considered an integral part of this report.

3.5.1.3 Governance

The Eurazeo corporate governance approach was implemented several years ago, with the aim of complying with market recommendations that promote transparency with stakeholders and contribute to improving the operation of the Company's control and management bodies.

Eurazeo is convinced that governance is a key factor in the performance and long-term success of companies. The implementation of exemplary governance in Eurazeo and all of its portfolio companies is a priority objective of Eurazeo's CSR strategy.

Internal rules of the Supervisory Board

The Supervisory Board's Internal Rules were amended by the Supervisory Board meeting of December 8, 2016 to reflect the new AFEP-MEDEF Code published in November 2016, notably with respect to independence criteria for members of the Supervisory Board. They are set out in full in Section 3.1.5 of the 2016 Registration Document (p. 173 to 178).

Training of Supervisory Board members

New members of the Supervisory Board systematically attend presentation meetings of the Company and all its investments given by the relevant member(s) of the Executive Board. These meetings are an opportunity for members who recently joined the Supervisory Board to improve their knowledge of the Group, its operations and its challenges. Moreover, new members of the Audit Committee also benefit from interviews with the Company's Chief Financial Officer, finance teams and internal audit staff, during which the specific nature of the Company's accounting and/or financial issues are discussed and new members of the Compensation and Appointment Committee meet with the General Counsel.

Ethics

When a member of the Supervisory Board is appointed, the Secretary of the Board issues him or her with a file comprising the Bylaws of the Company, the Internal Rules of the Supervisory Board and the securities trading code of conduct. Members of the Supervisory Board must ensure that they understand and comply with the obligations imposed on them by laws, regulations, the Bylaws, the Internal Rules and the securities trading code of conduct.

In addition to their obligations under the Bylaws to hold a minimum of 250 shares during their term of office (Article 11.2 of the Bylaws) and then 750 shares before the end of their term of office, members of the Supervisory Board are required to register all securities they own or come to acquire later.

Members of the Supervisory Board are bound by a general duty of confidentiality regarding the deliberations of the Supervisory Board and the committees, as well as with regard to information of a confidential nature to which they become privy in the course of their duties. The securities trading code of conduct sets out obligations in respect of inside information and the applicable sanctions, as well as the requirement that members of the Supervisory Board report transactions in the Company's securities. It also prohibits the performance of certain transactions, including the short selling of shares and short-term purchase/resale transactions.

In addition, a letter is sent to members of the Supervisory Board at the end of the year to remind them more specifically of the legal and regulatory obligations by which they are bound. This letter also informs them of the closed periods in the coming year during which they must abstain from carrying out transactions in the Company's securities.

Communication of information to Supervisory Board members

The Internal Rules of the Supervisory Board lay down the procedures by which members of the Supervisory Board are kept informed. Throughout the year, the Supervisory Board may request any document it considers necessary to carry out its duties. The Chairman receives a monthly report from the Executive Board on the Company's investments, cash position, transactions and debt, if any. At least once every quarter, the Executive Board submits a report on the above matters to the Supervisory Board, which includes a presentation of the Company's business activities and strategy. The Executive Board also supplies the Supervisory Board with half-year budgets and investment plans.

A preparatory file covering the key items on the agenda is communicated to members prior to all meetings of the Supervisory Board.

In 2013, the Company introduced a specific digital information system for members of the Supervisory Board containing all information they require and updated real time, to help improve the activities of the Supervisory Board. This system provides a secure access at any time to key historical information communicated in preparation of Supervisory Board meetings.

Assessment of the Supervisory Board

The formal assessment of the composition, organization and activities of the Supervisory Board is presented in the 2016 Registration Document in Section 3.1.1.3, Self-assessment of the activities of the Supervisory Board, which is considered an integral part of this report.

Implementation of the "Comply or Explain" rule

Pursuant to the "Comply or Explain" rule laid down in Article L. 225-37 of the French Commercial Code and in Article 27.1 of the AFEP-MEDEF Code, the Company believes that its practices comply with the recommendations of the AFEP-MEDEF Code. However, certain provisions have not been applied for the reasons set out in the table below.

Provisions of the AFEP-MEDEF Code not complied with		Explanation
8.5.1	**Independent directors**	
	"...not to have been during the course of the previous five years... an employee, executive corporate officer or director of a company consolidated within the Company...".	On her appointment to the Supervisory Board in May 2010, Anne Lalou was considered independent. She lost her independent status when she was appointed to the Supervisory Committee of Foncia Holding, in accordance with the independence criteria set out in the AFEP-MEDEF Code at that time. The Supervisory Board and the Compensation and Appointment Committee observed that Eurazeo no longer holds any investment in Foncia Holding since September 2016. Accordingly, the Supervisory Board meeting of December 8, 2016 considered that the duties previously exercised by Anne Lalou on the Foncia Holding Supervisory Committee were no longer a reason to withdraw her status as an independent member of the Supervisory Board.
17.1	**Composition of the Compensation Committee**	
	The Compensation Committee "must mostly consist of independent Directors. It is recommended that the Chairman of the committee be independent".	Half of the members of the Compensation and Appointment Committee are independent. The Chairman of the Compensation and Appointment Committee, Roland du Luart, lost his status as an independent member on the renewal of his term of office by the Shareholders' Meeting of May 12, 2016, pursuant to the independence criteria set out in the AFEP-MEDEF Code applicable at that date. The Eurazeo Supervisory Board did not wish to appoint a new Chairman for this Committee which deals with issues concerning both appointments and compensation, due to the excellent work performed by Roland du Luart and the fact that his status as non-independent is solely due to the length of his service on the Supervisory Board. It is recalled that Roland du Luart only assumed the role of Chairman of the Compensation and Appointment Committee in 2013. Furthermore, subject to the approval by the Shareholders' Meeting of the resolution appointing Anne Dias, the Supervisory Board will propose her appointment to the Compensation and Appointment Committee, such that the majority of members of this Committee will be independent.
21	**Termination of employment contract in case of appointment to corporate office**	
	When an employee becomes an executive corporate officer, the AFEP-MEDEF Code recommends terminating "his or her employment contract with the Company or with a company affiliated to the Group, whether through contractual termination or resignation."	Patrick Sayer had an employment contract as "advisor to the Chairman," concluded with Gaz et Eaux on January 1, 1995, which was extended under successive transfers within Eurazeo until his appointment as a member of the Executive Board and Chairman on May 15, 2002. The contract has been suspended since that date. In view of the role played by Patrick Sayer in the history of the Company, the option of terminating the employment contract by contractual termination or resignation was not adopted. It seemed unfair to the Compensation and Appointment Committee to threaten the social welfare benefits (pension) enjoyed by Patrick Sayer, aged 57 as of December 31, 2015. Accordingly, at its meeting of November 27, 2013, the Compensation and Appointment Committee confirmed that Patrick Sayer would continue to enjoy the benefit of his employment contract as "advisor to the Chairman," solely in the event of non-renewal of his term of office after its expiry on March 19, 2018, so as to ensure the best possible transition for the Company in the event of a change in management. In all events, the conditions stipulated in the AFEP-MEDEF Code concerning management compensation (particularly regarding termination benefits and pensions) are complied with.

HCGE recommendations

In 2016, the High Council for Corporate Governance (Haut Comité de Gouvernement d'Entreprise, HCGE) did not issue any recommendations to the Company regarding explanations provided in the 2015 Registration Document pursuant to application of the AFEP-MEDEF Code.

3.5.2 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Company's internal control and risk management systems are presented in Section 3.4.1, Internal Control and Risk Management System, of the 2016 Registration Document which is considered an integral part of this report.

Furthermore, the financial risks related to the impacts of climate change and the measures taken to roll-out a low carbon strategy are detailed in Section 2.1, Integration of CSR in investment policy, of the 2016 Registration Document, which is considered an integral part of this report.

3.6 STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT PREPARED BY THE CHAIRMAN OF THE SUPERVISORY BOARD OF EURAZEO SA

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Eurazeo SA, and in accordance with Article L. 225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of your Company in accordance with Article L. 225-68 of the French Commercial Code for the year ended December 31, 2016.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L. 225-68 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- to report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information; and
- to attest that the Chairman's report sets out the other information required by Article L. 225-68 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted 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 FINANCIAL AND ACCOUNTING INFORMATION

Professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and the existing documentation;
- determining whether any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Supervisory Board's report, prepared in accordance with Article L. 225-68 of the French Commercial Code.

OTHER INFORMATION

We attest that the Chairman's report sets out the other information required by Article L. 225-68 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Clavié

Mazars

Guillaume Potel

Emilie Loréal

3.7 COMMITMENTS UNDER CO-INVESTMENT PLANS

In line with standard investment fund practice, Eurazeo has created a "co-investment" plan for the members of the Executive Board and investment teams ("the beneficiaries"). Under the agreements entered into by Eurazeo and these individuals and in accordance with the decisions validated by the Supervisory Board, the latter could be entitled, for a given investment portfolio, in return for a capital investment by them and after the minimum preferential return guaranteed to Eurazeo of 6% per annum (the ''hurdle''), to a 10% share of any net aggregate capital gain realized on the investments concerned following disposal of the last investment.

Since 2012, the co-investment programs have been structured around a variable capital company grouping together Eurazeo (95% of the share capital) and private individual investors (holding the remaining 5% of the share capital). These "Carryco" companies participate in each investment performed by Eurazeo in the amount of 10%.

For investments performed since 2014, the program includes a component calculated on a deal by deal basis. This personal co-investment by management and teams is paid in cash to Eurazeo at the time of each investment and may be lost in full if Eurazeo does not recover the funds invested.

The first plan covering investments performed during the period 2003-2004 was settled in 2007, as disclosed in the 2007 Registration Document. The second co-investment plan, covering investments performed during the period 2005-2008, did not attain the preferential return of 6% and, as such, premiums paid totaling €11.8 million were definitively lost to management and the teams. These premiums therefore vested to Eurazeo at the end of 2014.

The 2009-2011 plan expired at the end of 2016 due to a number of divestments. This program represents a value for beneficiaries excluding Eurazeo, which initially held a 4.97% reserve in this program, of €103.2 million (including €33.7 million for individuals no longer employed by Eurazeo and €35.6 million for members of the Executive Board), for premiums paid by teams, excluding Eurazeo, of €3.9 million (including €1.4 million for the Executive Board). Pursuant to the terms and conditions of the co-investment contract, the premiums vest to Eurazeo as all the investments concerned by the program have not been sold. Note that this 10% retrocession should be compared with the gains recognized in the individual accounts (capital gains and dividends) and the unrealized gains on residual investments not sold of a total amount of €1,083.3 million. Eurazeo also retains the possibility of further appreciation in its Europcar and Moncler investments which are now no longer included in a team co-investment program. The corresponding amounts were paid to beneficiaries between December 2016 and February 2017 through the repurchase of the shares of the relevant partnership or through distributions by the partnership (see Note 17 to the separate financial statements, the subsequent events presented in the Executive Board's report and the Statutory Auditors' Special Report, p. 407 to 414).

Eurazeo teams have invested a total of €7,829 thousand in programs opened since 2012, including €3,298 thousand invested by members of the Executive Board.

Invested amounts (In euros)	Function	CarryCo Croissance 2012-2013	CarryCo Capital I 2014-2017	CarryCo Croissance 2 2015-2018	CarryCo Patrimoine 2015-2018	Total
Patrick Sayer	CEO	56,000	1,261,760	80,142	136,308	1,534,210
Virginie Morgon	Deputy CEO	42,000	1,009,408	64,980	110,520	1,226,908
Sub-total		**98,000**	**2,271,168**	**145,122**	**246,828**	**2,761,118**
Other Executive Board member		19,250	441,616	28,158	47,892	536,916
Sub-total Executive Board members		**117,250**	**2,712,784**	**173,280**	**294,720**	**3,298,034**
Other beneficiaries		232,750	3,596,016	259,920	442,080	4,530,766
TOTAL		**350,000**	**6,308,800**	**433,200**	**736,800**	**7,828,800**

In view of the terms and conditions of co-investment contracts, the main characteristics of which are described in Note 17 to the Company financial statements in this Registration Document, it may be deduced that, as the investments involved have only been held for a short period of time (with the exception of the 2012-2013 Croissance program which is not currently expected to produce a gain) and the future crossing of the 6% annual hurdle is currently uncertain, the final value cannot be estimated at this time.

Sunrise #09

4

CONSOLIDATED FINANCIAL STATEMENTS

4.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(In thousands of euros)	Notes	12/31/2016 net	12/31/2015 net
Goodwill	6.1	1,461,686	431,025
Intangible assets	6.2	1,232,507	555,139
Property, plant and equipment	6.3	1,090,286	136,020
Investment properties	7	1,286,016	1,291,176
Investments in associates	8.1	1,352,703	2,425,025
Financial assets	8.2	1,392,442	726,603
Other non-current assets	4.5	13,696	10,899
Deferred tax assets	11.3	32,964	16,189
Total non-current assets		**7,862,301**	**5,592,076**
Inventories		223,174	81,298
Trade and other receivables	4.3	602,533	218,496
Current tax assets		15,572	134,940
Financial assets	8.2	45,411	89,291
Other financial assets	9.2	5,567	18,677
Other current assets	4.5	43,606	11,203
Other short-term deposits	13.1	64,917	14,902
Cash and cash equivalents	13.1	1,515,367	1,194,414
Total current assets		**2,516,147**	**1,763,221**
Assets classified as held for sale	2.2	1,840	19,760
TOTAL ASSETS		**10,380,288**	**7,375,057**

EQUITY AND LIABILITIES

(In thousands of euros)	Notes	12/31/2016	12/31/2015
Issued capital		212,597	213,980
Share premium		710	-
Consolidated reserves		4,273,705	4,103,696
Equity attributable to owners of the Company		**4,487,013**	**4,317,676**
Non-controlling interests		748,674	429,712
Total equity	**12.1**	**5,235,687**	**4,747,388**
Interests relating to investments in investment funds		**344,504**	**320,339**
Provisions	10	19,099	6,061
Employee benefit liabilities	5.2	56,236	31,258
Long-term borrowings	9.1	2,800,355	1,527,006
Deferred tax liabilities	11.3	418,151	213,185
Other non-current liabilities	4.5	62,526	46,079
Total non-current liabilities		**3,356,367**	**1,823,589**
Current portion of provisions	10	16,017	21,436
Current portion of employee benefit liabilities	5.2	1,348	-
Current income tax payable		19,978	19,496
Trade and other payables	4.4	613,048	173,453
Other liabilities	4.5	488,924	213,272
Other financial liabilities	9.2	23,115	18,588
Bank overdrafts and current portion of long-term borrowings	9.1	280,699	37,496
Total current liabilities		**1,443,130**	**483,741**
Liabilities directly associated with assets classified as held for sale	2.2	600	-
TOTAL EQUITY AND LIABILITIES		**10,380,288**	**7,375,057**

4.2 CONSOLIDATED INCOME STATEMENT

(In thousands of euros)	Notes	2016	2015
Revenue	4.1	2,180,958	1,985,073
Other income	4.2	842,961	1,834,993
Cost of sales		(879,273)	(686,938)
Taxes other than income tax		(32,974)	(38,015)
Employee benefits expense	5.1	(517,998)	(451,283)
Administrative expenses		(459,268)	(585,729)
Depreciation and amortization (excluding intangible assets relating to acquisitions)		(69,547)	(36,579)
Additions to/(reversals of) provisions		3,397	(18,030)
Other operating income and expenses		(34,070)	(25,174)
Operating income before other income and expenses		**1,034,186**	**1,978,318**
Amortization of intangible assets relating to acquisitions	6.2	(34,462)	(11,530)
Impairment of goodwill/investments in associates	6.4/8.1	(180,342)	(150,629)
Other income and expenses	4.6	(80,908)	(38,192)
Operating income		**738,474**	**1,777,967**
Income and expenses on cash and cash equivalents and other financial instruments	9.4	7,492	(65,187)
Finance costs, gross	9.4	(133,106)	(188,142)
Finance costs, net	**9.4**	**(125,614)**	**(253,329)**
Other financial income and expenses	9.4	(22,510)	(25,558)
Share of income of associates	8.1	90,417	78,043
Income tax expense	11.1	(32,162)	(32,450)
NET INCOME (loss) before net INCOME (loss) from discontinued operations		**648,604**	**1,544,673**
Net income (loss) from discontinued operations		(5,596)	(507)
NET INCOME (LOSS)		**643,008**	**1,544,166**
Net income (loss) attributable to non-controlling interests.		123,261	268,126
NET INCOME (LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY		**519,747**	**1,276,040**
Earnings per share	12.2	7.64	17.98
Diluted earnings per share	12.2	7.64	17.98

4.3 CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Pursuant to IAS 1 revised, Eurazeo is required to present total income and expenses recognized indirectly (that is through net income (loss) for the period) and directly in equity:

(In thousands of euros)	Notes	2016	2015
Net income for the period		**643,008**	**1,544,166**
Fair value gains (losses) on available-for-sale financial assets	8.2	2,038	(7,729)
Fair value reserves reclassified to profit or loss	8.2	-	(2,828)
Total change in fair value reserves		**2,038**	**(10,557)**
Tax impact		-	-
Fair value reserve, net (potentially reclassifiable)		**2,038**	**(10,557)**
Gains (losses) arising on the fair value measurement of hedging instruments	9.2	(11,089)	(4,763)
Hedging reserve reclassified to profit or loss *	9.4	8,431	58,986
Total change in hedging reserves		**(2,658)**	**54,223**
Tax impact		725	(9,798)
Hedging reserves, net (potentially reclassifiable)		**(1,933)**	**44,425**
Recognition of actuarial gains and losses in equity	**5.2/8.1**	**6,950**	**(9,061)**
Tax impact		2,618	(1,301)
Actuarial gains and losses, net (not reclassifiable)		**9,568**	**(10,362)**
Gains (losses) arising on foreign currency translation		1,863	10,362
Foreign currency translation reserves reclassified to profit or loss	9.4	895	18,057
Foreign currency translation reserves (potentially reclassifiable)		**2,758**	**28,419**
TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY		**12,431**	**51,925**
TOTAL RECOGNIZED INCOME AND EXPENSES		**655,439**	**1,596,091**
Attributable to:			
• Eurazeo shareholders		530,608	1,314,221
• Non-controlling interests		124,831	281,870

* *Including €693 thousand in respect of equity-accounted groups in 2016.*

The change in the fair value reserve reflects changes in the fair value of financial assets (Colyzeo and Eurazeo Croissance assets). Note 8.2 presents a breakdown of the change in fair value reserves for the main available-for-sale financial asset lines.

The change in hedging reserves reflects fair value gains and losses on derivatives qualifying for hedge accounting. The release of the hedging reserve to profit or loss is primarily tied to the rupture of certain hedging relationships in ANF Immobilier group and to the deconsolidation of AccorHotels shares (reclassification from investments in associates to financial assets at fair value through profit or loss).

Actuarial gains and losses arising on the measurement of employee benefits correspond to the impact of changes in assumptions (obligation discount rate, pay increase rate, pension increase rate and expected return on plan assets) used to value defined benefit plan obligations.

The reclassification of foreign currency translation reserves to profit or loss primarily follows the deconsolidation of AccorHotels shares and the sale of the Elis share block.

4.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of euros)	Issued capital	Share premium	Fair value reserves	Hedging reserves	Foreign currency translation reserves
As of January 1, 2015	**210,934**	**-**	**100,074**	**(64,973)**	**(15,591)**
Net income for the period	-	-	-	-	-
Gains (losses) recognized directly in equity	-	-	(10,557)	45,024	23,182
Total recognized income and expenses	**-**	**-**	**(10,557)**	**45,024**	**23,182**
Capital increase	10,546	-	-	-	-
Treasury shares	(7,500)	-	-	-	-
Dividends paid to shareholders	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-
Other changes	-	-	-	-	-
As of December 31, 2015	**213,980**	**-**	**89,517**	**(19,949)**	**7,591**
Net income for the period	-	-	-	-	-
Gains (losses) recognized directly in equity	-	-	2,047	(1,826)	384
Total recognized income and expenses	**-**	**-**	**2,047**	**(1,826)**	**384**
Capital increase	-	-	-	-	-
Treasury shares	(1,383)	710	-	-	-
Dividends paid to shareholders	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-
Other changes	-	-	-	-	-
As of December 31, 2016	**212,597**	**710**	**91,564**	**(21,775)**	**7,975**

	Share-based payment reserves	Treasury shares	Actuarial gains and losses	Deferred tax	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	101,760	**(76,034)**	**(120,973)**	**24,640**	**3,066,304**	**3,226,141**	**296,357**	**3,522,498**
	-	-	-	-	1,276,040	1,276,040	268,126	1,544,166
	-	-	(9,822)	(9,646)	-	38,181	13,744	51,925
	-	**-**	**(9,822)**	**(9,646)**	**1,276,040**	**1,314,221**	**281,870**	**1,596,091**
	-	-	-	-	(10,546)	-	-	-
	-	(10,931)	-	-	(110,635)	(129,066)	-	(129,066)
	-	-	-	-	(79,256)	(79,256)	(53,892)	(133,148)
	-	-	-	-	(14,393)	(14,393)	109,056	94,663
	7,331	-	-	(1,560)	(5,742)	29	(203,679)	(203,650)
	109,091	**(86,965)**	**(130,795)**	**13,434**	**4,121,772**	**4,317,676**	**429,712**	**4,747,388**
	-	-	-	-	519,747	519,747	123,261	643,008
	-	-	7,680	2,575	-	10,860	1,571	12,431
	-	**-**	**7,680**	**2,575**	**519,747**	**530,608**	**124,831**	**655,439**
	-	-	-	-	-	-	-	-
	-	10,617	-	-	(208,013)	(198,068)	-	(198,068)
	-	-	-	-	(159,305)	(159,305)	(16,640)	(175,945)
	-	-	-	-	(12,806)	(12,806)	300,425	287,619
	6,253	-	-	(1,923)	4,578	8,908	(89,654)	(80,746)
	115,344	**(76,348)**	**(123,115)**	**14,086**	**4,265,973**	**4,487,013**	**748,674**	**5,235,687**
4,273,705								

4.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of euros)	Notes	2016	2015
NET CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**643,008**	**1,544,166**
Net depreciation, amortization and provision allowances		100,027	222,852
Impairments (including on available-for-sale assets)		177,134	8,180
Unrealized fair value gains (losses)	7	(3,258)	(25,480)
Share-based payments		5,521	4,538
Other calculated income and expenses		(66,729)	(20,197)
Capital gains (losses) on disposals, dilution gains (losses)		(773,213)	(1,834,367)
Share of income of associates	8.1	(90,417)	(78,043)
Dividends (excluding holding companies)		(0)	-
Cash flows after net finance costs and income tax expense		**(7,927)**	**(178,351)**
Net finance costs	9.4	125,614	253,329
Income tax expense		32,162	32,450
Cash flows before net finance costs and income tax expense		**149,849**	**107,428**
Income taxes paid		52,844	(51,240)
Purchases/sales of fleet vehicles	13.2	-	(553,410)
Change in WCR relating to the vehicle fleet	13.2	-	158,663
Change in operating WCR	13.2	(65,014)	19,296
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	**13.3**	**137,680**	**(319,263)**
NET CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of intangible assets		(143,396)	(25,535)
Proceeds from sales of intangible assets		620	2,624
Purchases of property, plant and equipment		(407,420)	(41,448)
Proceeds from sales of property, plant and equipment		884	24,451
Purchases of investment properties		(75,718)	(123,539)
Proceeds from sales of investment properties		89,645	132,654
Purchases of non-current financial assets			
• Investments		(850,321)	(233,460)
• Financial assets	8.2	(282,009)	(394,560)
• Other non-current financial assets		(320)	(29,796)
Proceeds from sales of non-current financial assets			
• Investments		1,110,940	1,633,833
• Financial assets		306,784	41,095
• Other non-current financial assets		124	179,386
Impact of changes in consolidation scope		118,073	(248,099)
Dividends received from associates		21,713	27,681
Change in other short-term deposits		(50,015)	4,711
Other investment flows		-	1
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	**13.4**	**(160,416)**	**949,999**

(In thousands of euros)	Notes	2016	2015
NET CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares			
• paid by parent company shareholders		-	-
• paid by minority interests in consolidated entities		176,420	470,020
Treasury share repurchases and sales		(197,503)	(129,354)
Dividends paid during the fiscal year			
• paid to parent company shareholders	12.1	(159,305)	(79,257)
• paid to minority interests in consolidated entities		(15,723)	(176,019)
Proceeds from new borrowings		1,639,107	1,022,258
Repayment of borrowings		(996,323)	(1,245,298)
Payment of balancing amount		(7,092)	(4,460)
Net interest paid		(101,916)	(153,239)
Other financing flows		-	(884)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	**13.5**	**337,665**	**(296,233)**
Net increase (decrease) in cash and cash equivalents		**314,928**	**334,503**
Cash and cash equivalents at the beginning of the year		**1,193,213**	**856,112**
Effect of foreign exchange rate changes		2,083	2,599
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (net of bank overdrafts)	**13.1**	**1,510,205**	**1,193,214**
Including restricted cash of:		*12,070*	*21,089*

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4.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

NOTE 1 GENERAL PRINCIPLES

The consolidated financial statements were authorized for publication by the Executive Board of Eurazeo on March 8, 2017. They were reviewed by the Audit Committee on March 9, 2017 and by the Supervisory Board on March 16, 2017.

The consolidated financial statements include the financial statements of Eurazeo and its subsidiaries and associates, for the year to December 31.

In the case of subsidiaries or associates with fiscal years ending on a date other than December 31, the consolidated financial statements use accounts covering the period from January 1 to December 31. The financial statements of all subsidiaries and associates accordingly cover the same period as those of the parent company and are prepared in accordance with IFRS. Adjustments are made to bring into line any differences in accounting policies that may exist.

1.1 Basis of preparation of the consolidated financial statements

The accounting principles used to prepare the consolidated financial statements are compliant with IFRS standards and interpretations as adopted by the European Union on December 31, 2016, and available on the website: http://ec.europa.eu/finance/company-reporting/standards-interpretations/index_en.htm.

The consolidated financial statements are prepared on an historical cost basis, except for investment properties, derivative financial instruments and financial assets which are measured at fair value. The financial statements are presented in euros, with thousands omitted.

The accounting principles adopted are consistent with those used to prepare the annual consolidated financial statements for the year ended December 31, 2015, updated for the adoption of the following standards which are of mandatory application for fiscal years beginning on or after January 1, 2016. These standards did not have an impact on the financial statements for the year:

- the amendment to IAS 19, *Defined Benefit Plans: Employee contributions*, applicable to fiscal years beginning on or after February 1, 2015;
- IFRS annual improvements (2010-2012 cycle), applicable to fiscal years beginning on or after February 1, 2015;
- the amendments to IAS 16 and IAS 38, *Acceptable methods of depreciation and amortization*, applicable to fiscal years beginning on or after January 1, 2016;
- the amendments to IAS 16 and IAS 41, *Agriculture: Bearer plants*, applicable to fiscal years beginning on or after January 1, 2016;
- the amendment to IAS 1, *Presentation of financial statements – Disclosure initiative*, applicable to fiscal years beginning on or after January 1, 2016;
- the amendments of IFRS 10, IFRS 12 and IAS 28, *Investment Entities: Applying the Consolidation Exception*, applicable to fiscal years beginning on or after January 1, 2016;
- the amendment to IFRS 11, *Joint Arrangements: Acquisitions of interests in joint operations*, applicable to fiscal years beginning on or after January 1, 2016;
- IFRS annual improvements (2012-2014 cycle), applicable to fiscal years beginning on or after January 1, 2016.

The principles adopted do not differ from the IFRS as published by the IASB. In addition, the Group did not opt for early application of the following standards and interpretations not of mandatory application in 2016:

- the amendments to IFRS 10 and IAS 28, *Sales or contributions of assets between an investor and its associate/joint venture*, applicable to fiscal years beginning on or after January 1, 2016 (postponed by the European Union to an undefined date);
- IFRS 14, *Regulatory Deferral Accounts*, applicable to fiscal years beginning on or after January 1, 2016 (not adopted by the European Union);
- the amendment to IAS 7, *Disclosure initiatives*, applicable to fiscal years beginning on or after January 1, 2017 (not adopted by the European Union);
- the amendment to IAS 12, *Recognition of Deferred Tax Assets for Unrealized Losses*, applicable to fiscal years beginning on or after January 1, 2017 (not adopted by the European Union);
- IFRS annual improvements (2014-2016 cycle), applicable to fiscal years beginning on or after January 1, 2017 (for IFRS 12) and on or after January 1, 2018 (for IFRS 1 and IAS 28) (not adopted by the European Union);
- IFRS 15, *Revenue from Contracts with Customers*, applicable to fiscal years beginning on or after January 1, 2018;
- IFRS 15 clarification applicable to fiscal years beginning on or after January 1, 2018 (not adopted by the European Union);
- IFRS 9, *Financial Instruments*, applicable to fiscal years beginning on or after January 1, 2018;
- the amendment to IFRS 2, *Classification and measurement of share-based payment transactions*, applicable to fiscal years beginning on or after January 1, 2018 (not adopted by the European Union);
- the amendment to IFRS 4, *Applying IFRS 9, Financial Instruments with IFRS 4, Insurance Contracts*, applicable to fiscal years beginning on or after January 1, 2018 (not adopted by the European Union);
- the amendment to IAS 40, *Transfers of investment property*, applicable to fiscal years beginning on or after January 1, 2018 (not adopted by the European Union);
- IFRIC 22, *Foreign Currency Transactions and Advance Consideration*, applicable to fiscal years beginning on or after January 1, 2018 (not adopted by the European Union);
- IFRS 16, *Leases*, applicable to fiscal years beginning on or after January 1, 2019 (not adopted by the European Union).

Eurazeo is currently determining the potential impacts of these new standards and standard amendments on the Group's consolidated financial statements.

1.2 Critical accounting estimates and judgments

When preparing its consolidated financial statements, Eurazeo must make estimates and assumptions that affect the carrying amount of certain assets, liabilities, revenue and expenses and can have an impact on the information contained in the Notes to the financial statements. Eurazeo reviews these estimates and judgments on a regular basis, taking into consideration past experience and other factors deemed relevant in light of economic conditions.

Depending on changes in those assumptions or if conditions vary from those anticipated, amounts in future financial statements could differ from the current estimates.

1.2.1 Critical accounting estimates and assumptions

The estimates and assumptions adopted for the preparation of the financial statements for the year ended December 31, 2016 concern:

- the recoverable amount of goodwill and intangible assets with an indefinite useful life (see Note 6);
- the fair value of investment properties (see Note 7);
- the recoverable amount of investments in associates (see Note 8.1).

1.2.2 Critical judgments in applying accounting policies

When preparing the financial statements in accordance with Group accounting policies, Eurazeo makes assumptions, in addition to those involving the use of estimates, which can have a material impact on amounts recognized in the financial statements.

Determining the material or prolonged nature of a loss in value of available-for-sale (AFS) financial assets

Impairment of AFS financial assets is recognized through profit or loss when there is objective indication of long-term impairment resulting from one or several events that have occurred since the acquisition. A material or prolonged decline below the acquisition value and a qualitative analysis represent objective indications of impairment, potentially leading the Group to recognize an impairment through profit or loss.

Due to the limited number of AFS assets, the prolonged nature of a decline in fair value is assessed on a case-by-case basis. This analysis is presented in Note 8.2.

Recognition of interests held by co-investors in the Eurazeo Partners and Eurazeo Capital II funds

As indicated in the section entitled "Interests in respect of investments in investment funds", funds contributed on the syndication of investments performed by Eurazeo are liabilities that do not qualify as equity pursuant to IFRS. They are presented as a separate balance sheet item and are measured relative to the consolidated balance sheet value of assets to be distributed in consideration for capital contributions on liquidation of the fund.

Net income due to co-investors is recognized in Net income attributable to non-controlling interests.

NOTE 2 CONSOLIDATION SCOPE

The list of subsidiaries and associates is presented in the scope of consolidation in Note 15.

Non-consolidated entities are not material compared with the consolidated financial statements of the companies included in the scope of consolidation.

2.1 Changes in consolidation scope

The main changes in the scope of consolidation in 2016 are as follows:

Eurazeo Capital II SCS

On December 22, 2016, Eurazeo raised a new co-investment fund, Eurazeo Capital II. This fund will take a minority stake of 25%, without impacting governance, in Eurazeo Capital's unlisted investments – Asmodee, Desigual, Neovia, Fintrax, Les Petits Chaperons Rouges, Novacap and Sommet Education – as well as the future company CPK, which will be created to acquire the Carambar, Poulain and Krema brands in the first-half of 2017.

Fintrax

On December 16, 2015, Eurazeo acquired the Fintrax group for an investment of €303 million. Fintrax is fully consolidated from January 1, 2016.

Les Petits Chaperons Rouges

On March 29, 2016, Eurazeo invested €144.4 million in the Les Petits Chaperons Rouges (LPCR) group. This investment in equity and convertible bonds represents 41% of the LPCR share capital.

LPCR is equity-accounted from April 1, 2016.

Elis

Eurazeo, Legendre Holding 27 and ECIP Elis sold in April and then in May 2016, a total of 28.5 million Elis shares (25.0% of the company's share capital), for a consideration of €473 million.

Following these two transactions, Eurazeo held, through Legendre Holding 27, 14.2% of the share capital and 23.4% of voting rights.

As the contribution to consolidated net income for the first five months of the period is not material to the Eurazeo consolidated financial statements, the capital gain on disposal of the Elis shares was calculated as of January 1, 2016 in the interests of simplicity.

Sommet Education

On June 14, 2016, Eurazeo acquired the Glion and Les Roches hospitality management schools. This €226.5 million investment provided Eurazeo with the entire share capital of this new group (24.70% of which was sold to Eurazeo Capital II on syndication).

The group is fully consolidated from July 1, 2016.

Novacap

On June 22, 2016, Eurazeo invested €163.1 million in the equity of Novacap, becoming the majority shareholder with a stake of 67% alongside Mérieux Développement (9%), Ardian (18%) and management (6%).

The group is fully consolidated from June 30, 2016.

Grape Hospitality

Eurazeo Patrimoine purchased a portfolio of 85 hotels from AccorHotels for an investment of approximately €150 million. This new hotel platform, Grape Hospitality, is owned 70% by Eurazeo Real Estate Lux 1 and 30% by AccorHotels.

The transaction was completed on June 22 and 30, 2016 and Grape Hospitality is fully consolidated from June 30, 2016.

Foncia

On September 7, 2016, Eurazeo sold its entire investment in Foncia, through Sphynx 2, for disposal proceeds of €569 million. The Foncia shares were deconsolidated based on the most recent audited accounts at the disposal date (accounts to June 30, 2016).

Moncler

On September 23, 2016, Eurazeo sold 15 million Moncler shares. Then, on October 14, 2016, following the expiry of the initial shareholders' agreement and the signature of a new agreement, Eurazeo lost its significant influence over the Moncler group. The shares were deconsolidated based on the most recent published accounts at the date of loss of significant influence.

The Moncler shares are now recorded in financial assets at fair value through profit or loss.

AccorHotels

Following the sale of shares by Colony launched in November 2016 (after the loss of a seat on the Board of Directors in April and dilution in July 2016), Eurazeo lost its significant influence over the AccorHotels group. The shares were deconsolidated based on the most recent published accounts at the date of loss of significant influence.

The AccorHotels shares are now recorded in financial assets at fair value through profit or loss.

Eurazeo PME

Eurazeo PME completed two acquisitions in the first-half of 2016: the acquisition on May 4, 2016 of the MK Direct group, a leader in home linen in France with the Linvosges and Françoise Saget brands, for a consideration of €49 million and the acquisition on May 13, 2016 of 50% of Orolia, a world leader in reliable GPS-type signals.

Both groups are fully consolidated from July 1, 2016.

On September 29, 2016, Eurazeo PME also acquired the AssurCopro group, a French leader in joint ownership insurance brokerage, for a consideration of €54.9 million. As the contribution of three months activity from October to December 2016 was not considered material to the balance sheet and net income of the Eurazeo group, the group will be fully consolidated from January 1, 2017.

2.2 IFRS 5 reclassification – group of assets classified as held for sale

As of December 31, 2016, assets and liabilities classified as held for sale consist of investment properties (ANF Immobilier) and certain assets and liabilities of the Vignal Lighting Group and Dessange groups (Eurazeo PME).

As of December 31, 2015, assets and liabilities classified as held for sale consisted of investment properties (ANF Immobilier).

The assets and directly associated liabilities reclassified as of December 31, 2016 pursuant to IFRS 5, *Non-current Assets held for Sale and Discontinued Operations*, are as follows:

(In thousands of euros)	Note	12/31/2016	12/31/2015
Non-current assets			
Property, plant and equipment		900	-
Investment properties held for sale	7	792	19,760
Current assets			
Other current assets		148	-
ASSETS CLASSIFIED AS HELD FOR SALE		**1,840**	**19,760**
Current liabilities			
Trade and other payables		600	-
LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE		**600**	**-**

NOTE 3 SEGMENT REPORTING

Pursuant to IFRS 8, *Operating Segments*, segment reporting is presented in line with internal reporting and information presented to the chief operating decision maker (Eurazeo's Executive Board) for the purposes of allocating resources to the segment and assessing its performance.

Eurazeo group operating segments can be allocated to the following five divisions:

- Holding companies: investment in non-consolidated investments and the co-investment fund business.

  Each company contributes to the "holding companies" segment;
- Eurazeo Capital: this division invests in companies with an enterprise value of over €200 million.

  Each investment represents an operating segment;
- Eurazeo PME: this division invests in high-performing and ambitious small and medium-sized enterprises with an enterprise value of between €50 million and €200 million that are market leaders with significant capacity to maximize growth transactions.

  The Eurazeo PME division represents a single operating segment;
- Eurazeo Croissance: this division is dedicated to investing in young, high-growth companies, destined to be the international leaders of tomorrow.

  The Eurazeo Croissance division represents a single operating segment;
- Eurazeo Patrimoine: this division specializes in management and investment activities for real estate and physical assets.

  Each investment represents an operating segment.

The contribution of equity-accounted groups to consolidated net income is presented in Note 8.1.

Depending on the operating segment, the main performance indicators are as follows:

- adjusted EBIT (earnings before interest and taxes);
- adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) or adjusted Corporate EBITDA;
- adjusted net debt (before or after financing costs).

Adjustments between operating income before other income and expenses and the various income statement performance indicators mainly concern:

- adjustments for non-recurring items: restructuring costs, acquisition costs, amortization of assets recognized on the allocation of the purchase price;
- reclassification of the estimated interest component included in operating lease charges (specific to Europcar in the first-half of 2015);
- fair value gains and losses on investment properties (Eurazeo Patrimoine).

The main adjustment to net debt corresponds to the cancellation of capitalized financing costs.

These adjustments were calculated directly based on the IFRS contributions of each operating segment and can be reconciled directly with the published consolidated financial statements.

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3.1 Segment reporting as of December 31, 2016

Segment income statement

(In millions of euros)	2016	Holding companies	Eurazeo Capital		
			Asmodee	Fintrax	Sommet Education
Revenue	**2,181.0**	**43.4**	**377.2**	**223.4**	**70.6**
Operating income before other income & expenses	**1,034.2**	**632.2**	**57.4**	**28.0**	**(8.6)**
Fair value gains (losses) on buildings			-	-	-
Capital gain on disposal			-	-	-
Share of management fees			-	-	-
Other non-recurring items			3.3	6.3	7.8
Adjusted EBIT	**279.0**		**60.6**	**34.3**	**(0.8)**
% Adjusted EBIT margin			**16.1%**		
Charges to/reversals of deprec., amort. & provisions			4.6	8.3	3.9
Adjusted EBITDA			**65.2**	**42.6**	**3.1**
% Adjusted EBITDA margin			***17.3%***	***19.1%***	***4.4%***

(1) Total EBIT of majority-owned investments is €103.3 million and total EBITDA of majority-owned investments is €126.9 million.

Segment net debt

(In millions of euros)	12/31/2016	Holding companies	Eurazeo Capital			
			Asmodee	Fintrax	Sommet Education	Novacap
Borrowings	3,081.1	104.4	255.9	273.1	153.4	453.3
Cash assets	(1,580.3)	(1,147.9)	(62.6)	(37.3)	(47.4)	(41.4)
IFRS net debt	**1,500.8**	**(1,043.5)**	**193.3**	**235.7**	**106.0**	**411.9**
Inter-company eliminations			-	-	-	-
Other adjustments			25.1	(6.8)	(0.6)	2.4
Adjusted IFRS net debt			**218.4**	**228.9**	**105.4**	**414.2**
Financing costs			5.2	8.9	5.6	13.0
Adjusted IFRS net debt after financing costs			**223.6**	**237.8**	**111.0**	**427.2**

(1) Debt relating to AccorHotels shares.
(2) Excluding the holding company.

Detailed information on debt maturities and the nature of covenants is presented in Note 9.1.

Eurazeo Capital			Eurazeo PME[1]	Eurazeo Patrimoine				
Novacap	Other	Total		ANF Immobilier	CIFA	Grape Hospitality	Other	Total
323.6	**0.1**	**994.8**	**965.3**	**51.2**	**18.1**	**108.0**	**-**	**177.4**
(5.1)	**168.0**	**239.7**	**98.5**	**32.6**	**21.7**	**9.6**	**(0.1)**	**63.8**
-			-	4.0	(7.3)	-		
-			(2.6)	-	-	-		
-			-	0.5	-	-		
33.3			(2.0)	0.8	-	0.9		
28.2			**93.8**	**38.0**	**14.4**	**10.5**		
18.0			23.5	0.9	0.0	9.3		
46.2			**117.4**	**38.8**	**14.4**	**19.8**		
14.3%			***12.2%***	***75.8%***	***79.3%***	***18.3%***		

Eurazeo Capital			Eurazeo PME[2]	Eurazeo Patrimoine				
LHI9[1]	Other	Total		ANF Immobilier	CIFA	Grape Hospitality	Other	Total
149.5	-	1,285.1	670.8	526.2	166.9	327.7	-	1,020.8
(0.0)	(1.9)	(190.6)	(154.6)	(23.5)	(6.2)	(55.7)	(1.9)	(87.3)
149.4	**(1.9)**	**1,094.5**	**516.2**	**502.7**	**160.7**	**272.0**	**(1.9)**	**933.6**
-			-	18.9	-	-		
-			(5.0)	(73.9)	-	0.0		
149.4			**511.2**	**447.7**	**160.7**	**272.1**		
				4.4	1.6			
				452.1	**162.3**			

3.2 Segment reporting as of December 31, 2015

Segment income statement

(In millions of euros)	2015	Holding companies	Eurazeo Capital	
			Europcar	**Asmodee**
Revenue	**1,985.1**	**42.5**	**960.5**	**270.4**
Operating income before other income & expenses	**1,978.3**	**1,590.8**	**29.6**	**29.8**
Fair value gains (losses) on buildings			-	-
Capital gain on disposal of Cap Vert Finances and Gault & Frémont			-	-
Interest included in operating lease payments			25.7	-
Restructuring expenses			55.8	-
Acquisition/pre-opening costs			-	2.3
Other non-recurring items			0.1	6.8
Other			(10.5)	(0.8)
Adjusted EBIT	**245.7**		**100.6**	**38.1**
% Adjusted EBIT margin			**10.5%**	
Charges to/reversals of deprec., amort. & provisions			16.0	3.3
Interest included in operating lease payments			(25.7)	-
Fleet financing costs			(30.8)	-
Adjusted EBITDA/Adjusted Corporate EBITDA			**60.2**	**41.4**
% Adjusted EBITDA margin			**6.3%**	**15.3%**

(1) Total EBIT of majority-owned investments is €75.7 million and total EBITDA of majority-owned investments is €94.1 million.
(2) Company carrying the investments in Colyzeo and Colyzeo II.

Segment net debt

(In millions of euros)	12/31/2015	Holding companies	Eurazeo Capital	
			Asmodee	**LH19** [1]
Borrowings	1,564.5	5.2	131.1	149.4
Cash assets	(1,209.3)	(1,018.3)	(40.3)	(0.0)
IFRS net debt	**355.2**	**(1,013.1)**	**90.8**	**149.4**
Inter-company eliminations			28.3	
Other adjustments			-	
Adjusted IFRS net debt			**119.1**	
Financing costs			5.5	
Adjusted IFRS net debt after financing costs			**124.6**	

(1) Debt relating to AccorHotels shares.
(2) Debt relating to Elis shares.
(3) Excluding the holding company.

Eurazeo Capital		Eurazeo PME [1]	Eurazeo Patrimoine			
Other	Total		ANF Immobilier	CIFA	Colyzeo [2]	Total
-	**1,230.9**	**652.9**	**49.2**	**9.6**	**-**	**58.8**
161.5	**220.9**	**90.4**	**57.8**	**7.4**	**11.0**	**76.2**
		-	(25.5)	-		
		(27.3)	-	-		
		-	-	-		
		-	3.4	-		
		-	-	-		
		-	-	-		
		1.5	(0.9)	-		
		64.7	**34.9**	**7.4**		
		18.4	0.7			
		-	-			
		-	-			
		83.0	**35.6**			
		12.7%	**72.5%**			

Eurazeo Capital		Eurazeo PME [3]	Eurazeo Patrimoine			
LH27 [2]	Total		ANF Immobilier	CIFA	Other	Total
136.9	417.5	425.0	541.8	175.0	-	716.8
(0.0)	(40.3)	(107.0)	(23.1)	(4.3)	(16.3)	(43.8)
136.9	**377.2**	**318.0**	**518.6**	**170.7**	**(16.3)**	**673.1**
		-	18.4	-		
		(4.6)	(63.0)	1.8		
		313.5	**474.1**	**172.5**		

NOTE 4 OPERATING DATA

4.1 Revenue

Eurazeo group consolidated revenue totals €2,181 million for 2016 compared with €1,985 million for 2015.

This increase is primarily due to the change in the consolidation scope following the acquisition of the Fintrax, Grape Hospitality, Novacap and Sommet Education groups.

4.2 Other income

Other income in 2015 and 2016 breaks down as follows:

(In thousands of euros)	Notes	2016	2015
Capital gains (losses) on the securities portfolio		786,837	1,814,542
Other capital gains (losses) and disposal costs		(494)	(779)
Impairment losses on financial assets	8.2	(12,838)	(12,094)
Fair value gains (losses) on investment properties	7	3,258	25,480
Fair value gains (losses) on financial assets	8.2	54,360	-
Fair value gains (losses) on other non-current assets		(2,176)	(798)
Other income and expenses		14,014	8,642
OTHER INCOME		**842,961**	**1,834,993**

4.2.1 Capital gains (losses) on the securities portfolio

Capital gains on the securities portfolio in 2016 primarily concern the deconsolidation or partial disposal of the AccorHotels, Elis and Moncler groups (€21.1 million, €135.7 million and €404.0 million, net of disposal costs and before the release of reserves to profit or loss, respectively) and the sale of the entire investment in the Foncia group (€252.4 million).

The net gain on disposal/deconsolidation (*i.e.* net of the Elis financing early repayment penalty, carried interest and foreign currency translation and hedging reserves released to profit or loss) is €777.2 million, including €27.1 million for AccorHotels, €120.5 million for Elis, €230.0 million for Foncia and €378.4 million for Moncler.

In 2015, capital gains on the securities portfolio primarily concerned the Elis and Europcar IPOs (€264.1 million and €1,116.4 million, net of disposal costs, carried interest and before the release of reserves to profit or loss, respectively) and the disposal of Moncler shares (€233.6 million) and AccorHotels shares (€161.2 million).

The net gain on disposal (i.e. after disposal and IPO costs and foreign currency translation and hedging reserves released to profit or loss) was €1,741.4 million, including €251.8 million in respect of the sale of Elis and €1,046.6 million in respect of the sale of Europcar.

4.2.2 Impairment losses on financial assets

Impairment losses recognized in 2016 primarily concern Banca Leonardo shares following the dividend distribution recognized in revenue (see Note 8.2).

4.2.3 Fair value gains (losses) on financial assets

Fair value gains and losses on financial assets concern AccorHotels and Moncler shares (see Note 8.2).

4.3 Trade and other receivables

4.3.1 Trade and other receivables

(In thousands of euros)	Note	12/31/2016	12/31/2015
Trade and notes receivable (gross)		426,888	161,059
(-) provision for bad debts		(20,817)	(9,800)
Trade and notes receivable		**406,071**	**151,259**
Other receivables (gross)		194,492	70,319
(-) provision for other receivables		(3,403)	(3,250)
Total trade and other receivables contributing to WCR	**13.2**	**597,160**	**218,328**
Receivables on non-current assets		5,373	168
TOTAL TRADE AND OTHER RECEIVABLES		**602,533**	**218,496**
o/w expected to be collected in less than one year		*602,533*	*218,496*
o/w expected to be collected in more than one year		-	-

Given their short maturities, the fair value of trade and other receivables is equivalent to their carrying amount.

4.3.2 Credit risk

Information concerning the risk management policy and interest rate and credit risks is presented in Section 3.4, Risk management, internal control and main risk factors, of this Registration Document.

Maximum credit risk exposure is limited to the value of trade and other receivables in the consolidated balance sheet. The subsidiaries most likely to be exposed to credit risk are Eurazeo PME (38% of trade and other receivables), Novacap (21%), Asmodee (18%) and Fintrax (15%).

As of December 31, 2016, 81% of receivables had not reached their due date.

Trade and other receivables fall due as follows:

	12/31/2016		
(In thousands of euros)	Gross carrying amount	Write-down	Net carrying amount
Not yet due	507,619	(398)	507,221
Past due less than 90 days	77,415	(2,234)	75,181
Past due between 90 and 180 days	18,521	(7,218)	11,303
Past due between 180 and 360 days	5,237	(1,749)	3,488
Past due more than 360 days	17,961	(12,621)	5,340
TOTAL TRADES AND OTHER RECEIVABLES	**626,753**	**(24,220)**	**602,533**

	12/31/2015		
(In thousands of euros)	Gross carrying amount	Write-down	Net carrying amount
Not yet due	168,789	(6,377)	162,412
Past due less than 90 days	34,576	(15)	34,561
Past due between 90 and 180 days	9,823	(517)	9,306
Past due between 180 and 360 days	5,342	(1,276)	4,066
Past due more than 360 days	13,016	(4,865)	8,151
TOTAL TRADES AND OTHER RECEIVABLES	**231,546**	**(13,050)**	**218,496**

4.4 Trade and other payables

(In thousands of euros)	Note	12/31/2016	12/31/2015
Trade payables		431,476	114,390
Down payments from customers		24,171	27,541
Other creditors		-	1,865
Total trade payables included in WCR	**13.2**	**455,647**	**143,796**
Trade payables on property, plant and equipment		157,401	29,657
TOTAL TRADE AND OTHER PAYABLES		**613,048**	**173,453**

The increase in trade and other payables is mainly due to the entries into the scope of consolidation during the year.

4.5 Other assets and liabilities

4.5.1 Other non-current assets and liabilities

(In thousands of euros)	Note	12/31/2016	12/31/2015
Interest-rate derivatives qualifying for hedge accounting		56	-
Non-current financial assets	13.1	-	-
Other non-current assets		13,640	10,899
OTHER NON-CURRENT ASSETS		**13,696**	**10,899**
Non-current liability derivative instruments	9.2	12,941	38,424
Other non-current liabilities		49,585	7,655
OTHER NON-CURRENT LIABILITIES		**62,526**	**46,079**

4.5.2 Other current assets and liabilities

(In thousands of euros)	Note	12/31/2016	12/31/2015
Prepaid expenses		41,106	7,703
Total other current assets included in WCR	**13.2**	**41,106**	**7,703**
Other assets		2,500	3,500
TOTAL OTHER CURRENT ASSETS		**43,606**	**11,203**
Current income tax payable		**19,978**	**19,496**
Employee benefits payable		131,833	60,951
Deferred income		84,755	7,537
Other liabilities		272,336	144,784
TOTAL OTHER LIABILITIES	**13.2**	**488,924**	**213,272**

4.6 Operating income and other income and expenses

Operating income totaled €684 million in 2016, compared with €1,778 million in 2015.

Other income and expenses break down as follows:

(In thousands of euros)	2016	2015
Restructuring/relocation/reorganization	(5,756)	(4,900)
Acquisition costs	(66,483)	(24,555)
Other income and expenses	(8,669)	(8,737)
OTHER INCOME AND EXPENSES	**(80,908)**	**(38,192)**

NOTE 5 EMPLOYEES BENEFITS EXPENSE AND LIABILITIES

5.1 Number of employees and employee benefits expense

5.1.1 Number of employees

(Full time equivalent)	2016	2015
France	7,326	6,366
Europe excluding France	2,191	2,249
Rest of the world	1,201	937
TOTAL EMPLOYEES	**10,718**	**9,552**

The full time equivalent number of employees includes the employees of fully-consolidated companies on a time-apportioned basis taking into account their date of entry into the scope of consolidation (*i.e.* ANF Immobilier, Asmodee, Fintrax, Dessange, Flash Europe, Léon de Bruxelles, Péters Surgical, Vignal, Colisée, Eurazeo and the holding companies, as well as Grape Hospitality, Novacap, Sommet Education, Orolia and MK Direct for the last six months).

The above figures do not include employees of equity-accounted associates.

5.1.2 Employee benefits expense

(In thousands of euros)	2016	2015
Wages, salaries and other employee benefits	392,797	332,275
Social security contributions	115,916	111,115
Employee mandatory profit-sharing/incentive schemes	3,764	3,355
Share-based payments	5,521	4,538
TOTAL EMPLOYEE BENEFITS EXPENSE	**517,998**	**451,283**

5.2 Employee benefit liabilities

Defined contribution plans

The Group pays contributions under a range of mandatory systems and on a voluntary basis under contractual agreements. The Group's obligation is therefore limited to the payment of contributions.

Defined benefit plans

In recognition of their contribution to the business, Executive Board members are covered by a supplementary defined benefit pension plan designed to provide them with additional retirement income. The amount of this additional pension depends on the length of service of beneficiaries on retirement. This plan was closed on June 30, 2011 and only concerns members of the Executive Board present at that date.

5.2.1 Assumptions

The actuarial assumptions underlying the valuation are as follows:

	Obligation discount rate		Rate of pay increase	
	12/31/2016	12/31/2015	12/31/2016	12/31/2015
France	1.07% to 2.00%	1.80% to 2.00%	1.50% to 3.00%	2.00% to 3.00%
Italy	-	3.00%	-	3.00%
Switzerland	0.50% to 0.75%	-	1.75% to 2.00%	-

	Rate of pension increase		Expected return on plan assets	
	12/31/2016	12/31/2015	12/31/2016	12/31/2015
France	0.25% to 2.00%	0.50%	1.07% to 2.00%	1.80% to 2.00%
Italy	-	-	-	3.00%
Switzerland	0.80% to 1.75%	-	0.50% to 0.75%	-

The discount rate represents the yield, at the year-end, of bonds with a minimum AA rating and maturities similar to those of Group obligations.

The expected return on plan assets was determined based on long-term bond interest rates.

5.2.2 Valuation and change in Group obligations

Group obligations are measured using the projected unit credit method.

Group obligations are partially funded by outside funds, with the balance covered by provisions recognized in the balance sheet.

The following table shows changes in the liability net of plan assets recognized in the Eurazeo group balance sheet:

(In thousands of euros)	Obligation	Fair value of plan assets	Net obligation	Liability	Assets
As of December 31, 2015	**85,351**	**(54,093)**	**31,258**	**31,258**	
Current service cost	7,404	-	7,404	7,404	-
Net interest cost	1,441	(868)	573	573	-
Benefits paid	(22,832)	22,577	(255)	(255)	-
Contributions from plan participants	1,322	(1,321)	1	1	-
Contributions from the employer	-	(6,643)	(6,643)	(6,643)	-
Past service cost	(953)	-	(953)	(953)	-
Impact of plan curtailments	-	-	-	-	-
Settlements	-	-	-	-	-
Return on plan assets	-	(693)	(693)	(693)	-
Actuarial gains and losses					
• demographic assumptions	5,902	-	5,902	5,902	-
• financial assumptions	(24,008)	-	(24,008)	(24,008)	-
Changes in consolidation scope/Reclassifications	90,509	(47,490)	43,019	44,809	1,790
Foreign currency translation	1,449	(1,260)	189	189	-
AS OF DECEMBER 31, 2016	**145,585**	**(89,791)**	**55,794**	**57,584**	**1,790**
Due in less than one year				*1,348*	
Due in more than one year				*56,236*	

With the exception of actuarial gains and losses, the expense relating to post-employment benefits (€8.0 million in 2016, compared with €2.7 million in 2015) is split between Employee benefits expense and Financial expenses (€0.6 million in financial expenses in 2016 and 2015).

5.2.3 *Financing of the employee benefits obligation*

(In thousands of euros)	12/31/2016	12/31/2015
Present value of unfunded obligations	91,686	7,086
Present value of fully or partially funded obligations	53,899	78,265
Total value of defined benefit plan obligations (1)	**145,585**	**85,351**
Fair value of plan assets (2)	89,791	54,093
Total value of defined benefit plan liability (1) - (2)	**55,794**	**31,258**

Plan assets break down as follows:

(On average)	12/31/2016	12/31/2015
Shares	7%	10%
Bonds	7%	90%
Other instruments	86%	-
TOTAL	**100%**	**100%**

5.3 Management compensation and other transactions with management (related parties)

Executive Board members are the key managers of Eurazeo as defined by IAS 24.

5.3.1 *Management compensation*

In 2016, amounts recognized in the Income Statement and the Balance Sheet in respect of key managers are as follows:

(In thousands of euros)	Holding company	Income	Expenses	Assets	Net liabilities
Key managers					
Short-term benefits[1]	Eurazeo		(4,403)		
Post-employment benefits[2]	Eurazeo		(3,845)		(6,169)
Share-based payments	Eurazeo		(2,773)		

(1) Short-term benefits of key managers consist of salaries, including a variable portion paid during the year.
(2) Key managers are entitled to a "top-up" pension (known in France as an "Article 39" pension) which only vests if the beneficiary is present in the Company when he or she retires.

5.3.2 *Other transactions with management*

The co-investment program covering investments during the period 2009 to 2011 expired at the end of 2016 following the disposals performed. This program represents a value for Executive Board members of €35.6 million for premiums paid of €1.4 million.

The corresponding amounts were paid to beneficiaries between December 2016 and February 2017 either through the repurchase of shares of the relevant partnership or through distributions by the partnership.

NOTE 6 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

6.1 Goodwill

Movements in goodwill in 2015 and 2016 are presented below:

(In thousands of euros)	12/31/2016	12/31/2015
Gross carrying amount at the beginning of the period	431,025	2,626,870
Accumulated impairment at the beginning of the period	-	(148,417)
Net carrying amount at the beginning of the period	**431,025**	**2,478,453**
Acquisitions	1,266,187	66,765
Adjustments resulting from the identification or change in value of identifiable assets and liabilities subsequent to acquisition	(250,688)	(119,168)
Disposals/Changes in consolidation scope	17,944	(2,158,408)
Foreign currency translation	5,908	14,966
Change in gross carrying amount	**1,039,351**	**(2,195,845)**
Impairment losses	-	-
Disposals/Changes in consolidation scope	(8,690)	151,204
Foreign currency translation	-	(2,788)
Change in impairment	**(8,690)**	**148,417**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**1,461,686**	**431,025**
Gross carrying amount at the end of the period	1,470,376	431,025
Accumulated impairment at the end of the period	(8,690)	-

Acquisitions solely concern entries into the scope of consolidation (Fintrax, Grape Hospitality, Novacap, Sommet Education, Flash Europe, MK Direct, Orolia and build-ups in Asmodee, Colisée and Dessange).

6.2 Intangible assets

Intangible assets (excluding goodwill) break down as follows:

(In thousands of euros)	12/31/2016	12/31/2015	Amortization
Eurazeo PME group trademarks	210,739	151,498	Not amortized
Sommet Education trademarks	132,367	-	Not amortized
Fintrax trademarks	49,600	-	Not amortized
Other trademarks	28	24	Not amortized
Total trademarks	**392,734**	**151,522**	
Other intangible assets relating to acquisitions	549,150	54,653	
Other intangible assets	290,623	348,964	
TOTAL INTANGIBLE ASSETS	**1,232,507**	**555,139**	

Movements in 2015 and 2016 were as follows:

(In thousands of euros)	Trademarks	Other intangible assets relating to acquisitions	Other	Total
Gross carrying amount as of January 1, 2015	**1,096,288**	**612,039**	**544,562**	**2,252,889**
Accumulated amortization and impairment	**(74,148)**	**(374,309)**	**(278,024)**	**(726,481)**
Net carrying amount as of January 1, 2015	**1,022,140**	**237,730**	**266,538**	**1,526,408**
Additions	5	-	34,393	34,398
Changes in consolidation scope	(872,572)	(177,890)	58,293	(992,169)
Amortization charge and impairment for the period	(118)	(11,530)	(22,382)	(34,030)
Foreign currency translation	2,299	802	11,662	14,763
Other movements	(232)	5,541	461	5,770
Gross carrying amount as of December 31, 2015	**157,710**	**62,823**	**380,332**	**600,865**
Accumulated amortization and impairment	**(6,188)**	**(8,170)**	**(31,368)**	**(45,726)**
Net carrying amount as of December 31, 2015	**151,522**	**54,653**	**348,964**	**555,139**
Additions	6	-	32,535	32,541
Changes in consolidation scope	238,953	354,498	126,219	719,670
Amortization charge and impairment for the period	-	(34,462)	(18,817)	(53,279)
Foreign currency translation	1,903	4,233	836	6,972
Other movements	350	170,227	(199,114)	(28,537)
Gross carrying amount as of December 31, 2016	**398,734**	**603,950**	**367,861**	**1,370,545**
Accumulated amortization and impairment	**(6,000)**	**(54,801)**	**(77,237)**	**(138,038)**
Net carrying amount as of December 31, 2016	**392,734**	**549,150**	**290,623**	**1,232,507**

Changes in consolidation scope impacting other intangible assets relating to acquisitions mainly concern entries into the scope of consolidation and the purchase price allocation for the Fintrax, Novacap, Sommet Education and Eurazeo PME groups.

Other intangible assets relating to acquisitions main consist of commercial contracts, customer relationships and publishing and distribution rights.

6.3 Property, plant and equipment

Property, plant and equipment break down as follows:

(In thousands of euros)	12/31/2016	12/31/2015
Land	142,648	10,128
Buildings	532,776	52,729
Installations, industrial equipment and vehicles	286,279	21,391
Other property, plant and equipment	128,583	51,772
TOTAL PROPERTY, PLANT AND EQUIPMENT	**1,090,286**	**136,020**
o/w owned property, plant and equipment	*1,068,998*	*121,088*
o/w leased property, plant and equipment	*21,289*	*14,932*

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Movements in 2015 and 2016 were as follows:

(In thousands of euros)	Land and buildings	Installations and equipment	Leased textile articles	Other	Total
Gross carrying amount as of January 1, 2015	**405,897**	**525,885**	**502,327**	**389,700**	**1,823,809**
Accumulated depreciation and impairment	**(133,227)**	**(269,739)**	**(254,486)**	**(256,687)**	**(914,139)**
Net carrying amount as of January 1, 2015	**272,670**	**256,146**	**247,841**	**133,014**	**909,671**
Additions	5,013	4,882	-	37,568	47,463
Changes in consolidation scope	(190,482)	(236,346)	(247,841)	(101,208)	(775,877)
Assets scrapped and disposals	(20,464)	(89)	-	(2,684)	(23,237)
Depreciation charge for the period	(4,340)	(5,182)	-	(14,225)	(23,747)
Foreign currency translation	1,041	121	-	1,008	2,170
Other movements	(581)	1,859	-	(1,701)	(423)
Gross carrying amount as of December 31, 2015	**85,589**	**57,963**	**-**	**90,637**	**234,189**
Accumulated depreciation and impairment	**(22,732)**	**(36,572)**	**-**	**(38,866)**	**(98,170)**
Net carrying amount as of December 31, 2015	**62,857**	**21,391**	**-**	**51,772**	**136,020**
Additions	366,683	18,652	-	72,837	458,171
Changes in consolidation scope	265,692	249,005	-	42,756	557,452
Assets scrapped and disposals	5	(371)	-	(2,103)	(2,469)
Depreciation charge for the period	(15,462)	(20,929)	-	(16,140)	(52,531)
Foreign currency translation	557	213	-	(68)	701
Other movements	(4,906)	18,319	-	(20,470)	(7,058)
Gross carrying amount as of December 31, 2016	**779,304**	**527,113**	**-**	**218,290**	**1,524,706**
Accumulated depreciation and impairment	**(103,879)**	**(240,834)**	**-**	**(89,707)**	**(434,420)**
Net carrying amount as of December 31, 2016	**675,425**	**286,279**	**-**	**128,583**	**1,090,286**

6.4 Impairment losses on fixed assets

6.4.1 Impairment tests

Pursuant to IAS 36, Eurazeo allocates goodwill to Cash-Generating Units (CGUs) for the purpose of conducting impairment tests.

CGUs are determined for each of the consolidated sub-groups.

Calculating future cash flows

The value in use of each CGU is determined using the following method for calculating the recoverable amount:

- expected future cash flows are estimated based on the five-year business plans prepared by the management of each Cash-Generating Unit and validated by the management team of the parent company responsible for the entity concerned. An explicit period of more than five years may be adopted where cash flows can be estimated with sufficient reliability;
- cash flows are determined using the discounted cash flow method (EBITDA +/- changes in WCR – standard tax expense – capital expenditure);
- the terminal value is calculated based on a perpetual return;
- cash flows are discounted at the Weighted Average Cost of Capital (WACC), determined based on financial factors reflecting rates of return and segment-specific risk in the markets in which the investment tested operates.

WACC calculation methodology

Eurazeo uses the following parameters to calculate the WACC:

- risk-free rate: average benchmark risk-free rates quoted over a period of 2 to 5 years per country;
- credit spread: average rate observed over a period of 2 to 5 years;
- levered beta of comparable companies: beta observed at the WACC calculation date (as the beta is the result of a linear regression over the last two years, it reflects the mid-term sensitivity of the value of the securities of a given company compared with the general market);
- net debt/equity ratio for comparable companies: ratio calculated based on market capitalizations to net debt observed quarterly over 2 years on a sliding basis:
  - → the net debt/equity ratio obtained for each comparable is used to unlever the Company's beta,
  - → the unlevered beta is representative of the business segment and will be the beta used to calculate WACC (as extreme values are excluded from the average),
  - → the "gearing" used to calculate WACC is derived from the average debt to equity ratio calculated based on quarterly ratios of comparable companies;
- a size-specific premium if the tested company is more modest in size than its comparables.

6.4.2 Impairment tests

On Goodwill

Impairment tests are performed for all Group CGUs, that is, the Eurazeo PME CGU and the Asmodee CGU.

The Novacap, Grape Hospitality and Sommet Education group CGUs were not tested for impairment as the purchase price allocation is still in progress.

An impairment test was not performed for the Fintrax CGU as of December 31, 2016 due to the proximity of the purchase price allocation date to the year end and the absence of any indication of impairment between these two dates.

The business plans of investments were prepared based on management's best estimates of the impacts of the current economic environment.

Investment	Change	2016	2015	Comment
Asmodee				
Revenue	+39.5%	377.2	270.4	
Adjusted EBITDA	+57.5%	65.2	41.4	The Asmodee business plan was prepared based on the current scope and reasonable assumptions concerning games and trading card activities in Europe and North America, as well as Digital activities under development. Account was also taken of measires to improve group profitability.
Length of the explicit period of the business plan		7 years		
Weighted average WACC		11.0%		
Perpetual growth rate		1.5%		
NCA of goodwill *(in millions of euros)*		**189.6**		
Eurazeo PME				
Revenue	+47.9%	965.3	652.9	
EBITDA of investments	+34.9%	126.9	94.1	
Length of the explicit period of the business plan		6 years	6 years	The business plan takes account of measures implemented primarily to encourage the group's growth and improve its profitability.
Weighted average WACC		7.2%	7.4%	
Perpetual growth rate		1.09%	1.8%	
NCA of goodwill *(in millions of euros)*		**388.3**	**277.7**	

No impairment losses were recognized following these tests.

On intangible assets with an indefinite life

Intangible assets with an indefinite life primarily consist of trademarks and publishing and distribution rights and were tested for impairment at the fiscal year-end.

As these assets were obtained on a business combination, their recoverable amount was estimated using the same methodology as that applied to establish their fair value for the purpose of allocating the purchase price.

6.4.3 Sensitivity of impairment tests

The sensitivity of impairment tests was tested with respect to changes in the two main assumptions: WACC and the perpetual growth rate.

On Goodwill

Test margins (difference between the sum of recoverable amounts and the sum of accounting values of CGUs) subject to the sensitivity of assumptions are presented below:

ASMODEE

		Perpetual growth rate		
(In millions of euros)		**1.0%**	**1.5%**	**2.0%**
WACC	10.47%	161	181	203
	10.97%	129	**147**	166
	11.47%	101	116	133

EURAZEO PME

		Perpetual growth rate		
(In millions of euros)		**1.4%**	**1.9%**	**2.4%**
WACC	6.73%	1,527	1,668	1,844
	7.23%	1,367	**1,477**	1,611
	7.73%	1,237	1,326	1,431

The sensitivity analysis presented reflects the aggregate CGUs of each investment and demonstrates that the recoverable amount of Eurazeo's investments remains higher than the carrying amount. Nonetheless, in accordance with IAS 36, impairment is measured and recognized for each CGU.

Accordingly, a change in one of these factors could have an impact on Eurazeo's financial statements (impairment) if the recoverable amount of one or several CGUs falls below the carrying amount, even if the sum of these recoverable amounts remains higher than the total carrying amount of the CGUs comprising each investment.

NOTE 7 INVESTMENT PROPERTIES

Group investment properties solely consist of Eurazeo Patrimoine real estate holdings measured at fair value as of December 31, 2016.

(In thousands of euros)	12/31/2015	Additions	Disposals	Reclass.	Change in value	12/31/2016
ANF Immobilier investment properties						
Lyons	324,766	22,640	(33,566)	-	11,660	325,500
Marseilles	623,957	2,427	(18,224)	817	(27,825)	581,152
Bordeaux	42,568	29,026	-	-	5,071	76,665
B&B Hotels	106,949	7,349	(37,855)	-	7,048	83,491
Other investment properties						
CIFA Fashion Business Center	212,696	-	-	-	7,304	220,000
TOTAL INVESTMENT PROPERTIES	**1,310,936**	**61,442**	**(89,645)**	**817**	**3,258**	**1,286,808**
Investment properties	*1,291,176*					*1,286,016*
Investment properties classified as held for sale	*19,760*					*792*

7.1 Description of appraisals

With the exception of buildings subject to call options, ANF Immobilier investment properties were valued by the firms Jones Lang LaSalle and BNP Real Estate Expertise. The fair value of investment properties corresponds to the tax-exclusive appraisal value.

As of December 31, 2016, ANF Immobilier had assets with a total value of €1,068.3 million, including €1,066.8 million of investment properties and €1.6 million of operating properties (recognized in property, plant and equipment).

Two different approaches were used to value the Haussmann-style property assets in Lyons and Marseilles:

- the rental income capitalization method;
- the comparison-based approach.

In accordance with industry practice, the use of two valuation methods is made possible by the convergence of the values obtained.

Plots of land are valued using the developer's budget method, unless the plots are mere land banks. Hotel assets are valued using the income method.

CIFA Fashion Business Center buildings are recognized at fair value. On the acquisition of CIFA Fashion Business Center, they were measured using the rental income capitalization method – based on annual rental income of €15.3 million and a yield of 7.2%.

As of December 31, 2016, CIFA Business Center buildings were valued based on expert appraisals performed by the firm, CBRE.

7.1.1 Rental income capitalization valuation method

The appraisers adopted two distinct methodologies in applying the rental income capitalization method:

- current rental income is capitalized over the remaining term of the existing lease. The capitalized current rental income due for the period until the next review date or expiry date is then added to the capitalized value to perpetuity of the rent post-review.

  This capitalized value to perpetuity is discounted to the date of appraisal to reflect the perpetual capitalization commencement date. An average ratio between "release" and "renewal" was adopted with regard to historical changes in rents.

  Following the departure of an existing tenant, the recommencement of rental income may be deferred by a variable vacancy period corresponding to a possible rent holiday, renovation work, the time required to find a tenant, etc.;
- a rental ratio expressed as €/m^2/year is recorded for each unit valued in order to calculate the annual market rent (ratio x surface).

  A "Considered Rent" is estimated to act as the basis for the rental income capitalization method. It is set in such a way as to reflect the nature of the unit and its occupancy, and is capitalized at a yield close to the market rate, but which includes revaluation potential (where relevant).

  The low "deemed" yield includes revaluation potential in the following circumstances: the departure of the incumbent tenant or the removal of the upper rental limit to reflect changes in local market factors.

Different yields have been used to reflect the use made of the premises and to accommodate the differences between current rents and rents under new leases. Appraisals also take account of the cost of essential property maintenance (external renovations, stairwells, etc.).

7.1.2 Comparative valuation method

Each property valued is allocated an average rent per m^2 on a tax-exclusive, vacant, occupancy basis reflecting recent market transactions involving similar property with similar use.

With commercial property, and particularly retail units (fixed maximum rent), the average rent per m^2 is closely related to the occupancy conditions.

Each of the down-town properties valued is therefore attributed a value after major work, a value after major work to private accommodation areas, a value after major work to communal areas and a current condition value, for each valuation method.

Unless specified otherwise by the appraiser, the value arrived at for each property in its current condition is an average of the two methods. The final tax-exclusive value is converted into a tax-inclusive value (after application of 6.90% for old buildings and 1.80% for new buildings) to reflect the effective yield of each property (the ratio between the gross revenue observed and this tax-inclusive value).

7.1.3 Developer's Budget Method for building land

When valuing building land, the appraiser makes a distinction between land with development permission and/or a well-developed project likely to be implemented, and land where there is no clearly defined project in the advanced design stage.

When valuing the first type, the appraiser looks at the project from a development point of view.

Where the site concerned is simply part of a land bank, the appraiser values the measured area for development on the basis of current market prices.

7.1.4 Revenue Method for hotel properties

The net rental income for each asset is capitalized using a weighted yield specific to each hotel based on its characteristics.

This produces a "tax-inclusive" (or "deed in hand") market value for the asset owned outright.

7.2 Sensitivity analysis

The market value of appraised property was calculated by independent appraisers by varying the key criteria in order to determine sensitivity.

Sensitivity cannot be applied and calculated for all properties (1948 Law rent-protected properties, car parks, sundry properties, specific projects and acquisitions).

Sensitivity calculated based on a change in yield provides a range of market values for the properties concerned of €790.7 million (for a sensitivity adjustment of +0.20) to €853.7 million (for a sensitivity adjustment of -0.20), compared with a value of €821 million recognized as of December 31, 2016.

7.3 Applied deferred tax rate

ANF Immobilier opted for taxation as a publicly-traded real estate investment company (SIIC) on January 1, 2006 and, as such, is no longer liable to capital gains tax on profits made from the sale of qualifying buildings. In return, it is required to distribute 60% of any capital gains to its shareholders, who will be liable to pay tax at the standard rate on any such distributions received. A deferred tax liability based on 60% of any change in the fair value of investment properties has accordingly been recognized in the financial statements of ANF Immobilier's parent company, Eurazeo, pro rata to its right to receive dividends (interest of 52.96% as of December 31, 2016).

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NOTE 8 ASSOCIATES AND FINANCIAL ASSETS

8.1 Investments in associates

(In thousands of euros)	12/31/2015	Dividends	Additions	Change in consol. scope/ Disposals	Net income	Change in reserves	Foreign currency translation	Impairment	Other	12/31/2016
Europcar	851,241	-	-	(1,895)	48,973	(10,351)	(11,721)	(180,342)	(90)	695,815
Elis	564,226	(6,796)	-	(336,165)	10,989	(348)	6,671	-	710	239,287
AccorHotels	400,544	(12,185)	-	(389,185)	3,276	(1,690)	(3,072)	-	2,312	-
Moncler	191,000	(5,437)	-	(190,469)	4,913	-	-	-	(7)	-
Desigual	147,099	(652)	-	-	5,214	430	50	-	1	152,142
Neovia	116,655	(700)	-	-	6,434	106	3,473	-	1	125,969
Foncia	106,376	-	-	(102,535)	(3,726)	77	(192)	-	-	-
Other	47,884	(97)	65,801	9,652	14,344	-	838	-	1,068	139,490
Investments in associates	**2,425,025**	**(25,867)**	**65,801**	**(1,010,597)**	**90,417**	**(11,776)**	**(3,953)**	**(180,342)**	**3,995**	**1,352,703**
Change in hedging reserve					*Note 9.2*	*(2,435)*				
Change in fair value reserve						*(70)*				
Actuarial gains and losses recognized directly in equity						*(11,850)*				
Tax impact						*2,579*				

The change in investments in associates is mainly due to the changes in the consolidation scope disclosed in Note 2.

8.1.1 Impairment tests on investments in associates

With the exception of its investment in Europcar, Eurazeo did not test any of its investments in associates for impairment as it did not identify any indication of loss in value.

The Europcar share has closed the last two years at below its cost price. In accordance with accounting standards, we have adjusted the cost price based on a value of €10 per share, resulting in the recognition of an impairment of €180 million in the consolidated financial statements.

As of December 31, 2016, the stock market price of listed associates was as follows:

(In thousands of euros)	Number of shares held	Stock market price as of 12/30/2016	Total
Elis (shares held by Eurazeo, Legendre Holding 27 and Ecip Elis)	19,413,119	€ 16.11	312,761
Europcar (shares held by Eurazeo and Ecip Europcar)	69,581,307	€ 9.63	670,346

8.1.2 Summary financial information on material associates

Information on the listed associates (Elis and Europcar) is available in the financial statements of these companies on their websites.

8.1.3 Related-party disclosures

Eurazeo has no financial commitments on behalf of related companies other than those disclosed in this Note.

As of December 31, 2016, the balances recorded in the Company balance sheet and income statement in respect of related undertakings (associates only) are as follows:

(In thousands of euros)	Holding company	Income	Expenses	Assets	Net liabilities
Associates					
Desigual					
Investment	*Legendre Holding 29*			289,582	
Income from investment	*Legendre Holding 29*	652			
Elis					
Investment	*Eurazeo*			10,851	
Investment	*Ecip Elis*			2,071	
Investment	*Legendre Holding 27*			244,273	
Income from investment	*Eurazeo*	317			
Income from investment	*Ecip Elis*	54			
Income from investment	*Legendre Holding 27*	6,425			
Europcar					
Investment	*Eurazeo*			545,871	
Investment	*Ecip Europcar*			80,348	
Fonroche					
Investment	*Legendre Holding 25*			55,000	
Income from investment	*Legendre Holding 25*	97			
LPCR					
Investment	*Legendre Holding 47*			92,855	
Income from investment	*Legendre Holding 47*	1,144			
Neovia					
Investment	*Legendre Holding 35*			117,307	
Income from investment	*Legendre Holding 35*	700			

8.2 Financial assets

The fair value of financial assets breaks down as follows:

	12/31/2016		Change in fair value (cumulative)			12/31/2015
(In thousands of euros)	**Net carrying amount**	**Acquisition cost**	**Through profit or loss**	**Fair value reserve**	**Impairment**	**Net carrying amount**
Fair value by direct reference to published prices in an active market (Level 1)						
AccorHotels	431,725	406,684	25,041	-	-	-
Moncler	394,019	364,700	29,319	-	-	-
Listed securities	**825,744**	**771,384**	**54,360**	**-**	**-**	**-**
Fair value according to valuation techniques based on observable data (Level 2)						
Colyzeo and Colyzeo II	49,195	60,624	-	1,106	(12,535)	67,319
Fair value according to valuation techniques based on non-observable data (Level 3)						
Gruppo Banca Leonardo	26,909	80,950	-	-	(54,041)	31,358
RES 1 (Foncia) bonds	-	-	-	-	-	176,907
Fintrax	-	-	-	-	-	276,052
Other unlisted assets	536,005	1,307,419	-	13,994	(785,408)	264,258
Unlisted securities	**612,109**	**1,448,993**	**-**	**15,100**	**(851,984)**	**815,894**
FINANCIAL ASSETS	**1,437,853**	**2,220,377**	**54,360**	**15,100**	**(851,984)**	**815,894**
Financial assets – non-current	*1,392,442*					*726,603*
Financial assets – current	*45,411*					*89,291*

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As of December 31, 2016, the change in fair value of these assets breaks down as follows:

(In thousands of euros)	12/31/2015	Change in acquisition cost	Reclass. Fair value reserve	Change in Fair value reserve	Fair value through profit or loss	Impairment losses	Changein consolidation scope	12/31/2016
Fair value by direct reference to published prices in an active market (Level 1)								
AccorHotels	-	-	-	-	25,041	-	406,684	431,725
Moncler	-	-	-	-	29,319	-	364,700	394,019
Listed securities	**-**	**-**	**-**	**-**	**54,360**	**-**	**771,384**	**825,744**
Fair value according to valuation techniques based on observable data (Level 2)								
Colyzeo and Colyzeo II	67,319	(5,960)	-	(11,892)	-	(272)	-	49,195
Fair value according to valuation techniques based on non-observable data (Level 3)								
Gruppo Banca Leonardo	31,358	-	-	-	-	(4,449)	-	26,909
RES 1 (Foncia) bonds	176,907	-	-	-	-	-	(176,907)	-
Fintrax	276,052	-	-	-	-	-	(276,052)	-
Other unlisted assets	264,258	113,259	-	14,000	-	(8,117)	152,605	536,005
Total unlisted securities	**815,894**	**107,299**	**-**	**2,108**	**-**	**(12,838)**	**(300,354)**	**612,109**
FINANCIAL ASSETS	**815,894**	**107,299**	**-**	**2,108**	**54,360**	**(12,838)**	**471,030**	**1,437,853**
Additions		*282,009*						
Disposals		*(326,716)*						
Change in payables to suppliers of PP&E		*98,049*						
Accrued interest		*29,589*						
Other changes/reclassifications		*24,087*						
Foreign currency translation		*281*						
Impact of equity-accounted groups			-	(70)				
Change in consolidated fair value reserve			**2,038**					
Change in fair value reserve - attributable to owners of the Company			*2,047*					
Change in fair value reserve - attributable to minority interests			*(9)*					

AccorHotels and Moncler shares are recognized as financial assets since the loss of significant influence over these two groups. The shares were remeasured to fair value on deconsolidation. They are classified in financial assets at fair value through profit or loss and accordingly the change in fair value between the year end and the date of loss of significant influence is recognized through profit or loss.

The Group reviewed the other lines of its portfolio of available-for-sale financial assets (unlisted securities) in order to identify any indicators of impairment.

The Fintrax shares are fully consolidated from January 1, 2016. The RES1 (Foncia) bonds were sold at the same time as the RES1 shares.

NOTE 9 FINANCING AND FINANCIAL INSTRUMENTS

9.1 Net debt

Net debt, as defined by the Group, breaks down as follows:

(In thousands of euros)	Note	12/31/2016	12/31/2015
Legendre Holding 27 (Elis) bond issue		-	136,920
Asmodee bond issue		3,166	90,036
Eurazeo PME investments' bond issues		189,196	99,756
Eurazeo Partners bond issue		3,605	5,192
Bond issues		**195,967**	**331,904**
Legendre Holding 19 (AccorHotels) loan		149,450	149,450
ANF Immobilier loan		525,877	541,635
Eurazeo PME investments' loans		414,366	287,045
Asmodee loans		238,412	40,202
Fintrax loans		266,139	-
Grape Hospitality loans		326,548	-
Novacap loans		452,900	-
Sommet Education loans		153,273	-
Bank overdrafts	13.1	5,161	1,200
Finance leases		197,282	181,466
Other loans		155,679	31,600
Loans		**2,885,087**	**1,232,598**
BORROWINGS		**3,081,054**	**1,564,502**
o/w borrowings maturing in less than one year		*280,699*	*37,496*
o/w borrowings maturing in more than one year		*2,800,355*	*1,527,006*
Cash and cash equivalent assets	13.1	1,503,297	1,173,325
Restricted cash	13.1	12,070	21,089
Other short-term deposits	13.1	64,917	14,902
Other non-current financial assets[1]	13.1	-	-
Cash assets		**1,580,284**	**1,209,316**
TOTAL NET DEBT		**1,500,770**	**355,186**

(1) *Recognized in other non-current assets.*

Borrowings maturing in less than one year primarily consist of credit facilities repayable in 2017 and short-term debt maturities. The loan secured by Legendre Holding 19 in respect of the AccorHotels shares (€149.5 million) was repaid on January 9, 2017.

The net debt position of the Group's investments is presented below.

9.1.1 Consolidated debt-related commitments

Loans extended to Group companies may be subject to requests for early repayment, particularly in the event of payment default or failure to fulfill contractual obligations.

The table below provides details of the amounts (including accrued interest), the maturity dates and the nature of the covenants of the financing held by the Group's various investments.

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(In thousands of euros)	12/31/2016 Gross debt	Cash assets	Net debt	*Comments/Nature of main covenants*
Legendre Holding 19 (AccorHotels)	149,450	(6)	149,444	• **Repaid on January 9, 2017**
Asmodee	255,880	(62,567)	193,313	• **Maturities: 2021** (bond issue and credit facility), **2017-2022** (other borrowings) • Covenants: • Debt service coverage ratio • Net debt/EBITDA[1] • EBITDA[1]/net interest expense • Capex and capitalized expenditure[3] • Minimum cash amount
Fintrax	273,070	(37,336)	235,734	• **Maturities: 2017** (credit facility), **2019-2022** (other borrowings) • Covenants: • Net debt/EBITDA [1]
Novacap	453,295	(41,443)	411,852	• **Maturities: 2022** (credit facility), **2023** (other borrowings) • Cov-Lite Financing
Sommet Education	153,356	(47,361)	105,995	• **Maturities: 2023** • Covenants: • Net debt/EBITDA [1] • Capex [3] • Minimum cash amount
Other companies	-	(1,877)	(1,877)	
Total "Eurazeo Capital" net debt	**1,285,051**	**(190,590)**	**1,094,461**	
Eurazeo PME	670,797	(154,563)	516,234	• **Maturity: 2017 to 2031** • Covenants: • Debt service coverage ratio • Net debt/EBITDA [1] • EBITDA [1]/net interest expense • Capex [3]
Total "Eurazeo PME" net debt	**670,797**	**(154,563)**	**516,234**	
Eurazeo Croissance	-	(41)	(41)	
Total "Eurazeo Croissance" net debt	**-**	**(41)**	**(41)**	

(In thousands of euros)	12/31/2016 Gross debt	Cash assets	Net debt	*Comments/Nature of main covenants*
ANF Immobilier	526,217	(23,525)	502,692	• **Maturity: 2020/2021** • Covenants: • LTV [4] • ICR [5]
Grape Hospitality	327,737	(55,671)	272,066	• **Maturity: 2021** (finance leases), **2023** (acquisition debt and capex) • Covenants: • LTV [4] • Debt service coverage ratio • Net debt/EBITDAR [2] • Capex [3] • Hedging
CIFA Assets	166,872	(6,164)	160,708	• **Maturity: 2027** (finance leases)
Other companies	-	(1,877)	(1,877)	
Total "Eurazeo Patrimoine" net debt	**1,020,826**	**(87,237)**	**933,589**	
Eurazeo	-	(1,118,594)	(1,118,594)	
Other companies	104,380	(29,259)	75,121	
Total "Holding company" net debt	**104,380**	**(1,147,853)**	**(1,043,473)**	
TOTAL NET DEBT	**3,081,054**	**(1,580,284)**	**1,500,770**	

(1) EBITDA: Earnings before interest, taxes, depreciation and amortization; adjusted where applicable in accordance with bank documents.
(2) EBITDAR: Earnings before interest, taxes, depreciation, amortization and rent, adjusted where applicable in accordance with bank debts.
(3) Capex: Capital Expenditure.
(4) LTV: Loan To Value.
(5) ICR: Interest Coverage Ratio.

As there were no covenant breaches for which a major counterparty default has been notified or which benefited from a waiver at the period end, the debt repayment schedule was drawn up based on current scheduled maturity dates.

9.2 Derivative instruments

(In thousands of euros)	Nominal	Fair value as of 31/12/2016	Changes in fair value during the fiscal year	Impact on net financial expense *	Impact on hedging reserve
Interest-rate derivatives					
Interest rate caps	357,218	56	(164)	(164)	-
Total non-current asset derivatives		**56**			
Interest rate caps	170,000	114	113	113	-
Other interest rate swaps (including swaps that matured during the year)		-	-	-	-
Total current asset derivatives		**114**			
Interest rate swaps maturing 2020 and beyond	125,171	(11,962)	(7,022)	(2,414)	(4,608)
Other interest rate swaps (including swaps that matured during the year)		-	(2,567)	1,045	(3,612)
Total non-current liability derivatives		**(11,962)**			
Other interest rate swaps (including swaps that matured during the year)		-	210	-	210
Total current liability derivatives		**-**			
TOTAL INTEREST RATE DERIVATIVES QUALIFYING FOR HEDGE ACCOUNTING	**652,389**	**(11,792)**	**(9,430)**	**(1,420)**	**(8,010)**
Other interest rate swaps		2	2	2	-
Total non-current asset derivatives		**2**			
Other interest rate caps		918	60	60	-
Other interest rate swaps		915	1,383	1,383	-
Total current asset derivatives		**1,833**			
Other interest rate caps		(283)	58	58	-
Other interest rate swaps		(696)	10,716	10,716	-
Total non-current liability derivatives		**(979)**			
Other interest rate swaps		(20,782)	1,057	1,057	-
Total current liability derivatives		**(20,782)**			
TOTAL INTEREST RATE DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING		**(19,926)**	**13,276**	**13,276**	**-**

* *Ineffective portion of instruments qualifying for hedge accounting and change in fair value of other derivatives.*

(In thousands of euros)	Note	Fair value as of 31/12/2016	Changes in fair value during the fiscal year	Impact on net financial expense	Impact on hedging reserve
Other derivative instruments					
Embedded derivative associated with the structured financing of AccorHotels shares		1,834	(16,085)	(16,085)	-
Other derivatives		1,786	1,111	1,111	-
Total other current asset derivatives		**3,620**			
Equity swap associated with the structured financing of AccorHotels shares		(1,834)	16,085	16,085	-
Other derivatives		(499)	(197)	(246)	49
Total other current liability derivatives		**(2,333)**			
TOTAL OTHER DERIVATIVE INSTRUMENTS		**1,287**	**914**	**865**	**49**
Impact of equity-accounted groups					(3,128)
Gains (losses) arising on the fair value measurement of hedging instruments (1)					**(11,089)**
Income and expenses on changes in interest rate derivatives			*Note 9.4*	*11,856*	
Income and expenses on changes in other derivatives			*Note 9.4*	*865*	
Total impact on net financial expense (2)				**12,721**	

(1) Gains and losses arising on the fair value measurement of hedging instruments are equal to the sum of the impact on hedging reserves of interest rate derivatives (-€8.0 million) and other hedging derivatives (€0.1 million) and the impact of equity-accounted groups (-€3.2 million).
(2) The impact on the net financial expense is equal to the impact of interest rate derivatives (-€1.4 million and €13.3 million) and the impact of other derivatives (€0.9 million).

9.2.1 Interest-rate derivatives

The interest rate swaps used by the Group help to convert part of the contracted floating-rate debt into fixed-rate debt.

Interest rate derivatives are measured on the basis of market data at the balance sheet date – Level 2 – (interest – rate curve from which the zero coupon curve is derived). Fair value is calculated using a discounted cash flow model.

9.2.2 Other derivative instruments (current)

Other derivatives primarily consist of currency derivatives and derivatives associated with the Legendre Holding 19 financing (repaid on January 9, 2017).

9.2.3 Short-term/long-term classification of derivatives

(In thousands of euros)	12/31/2016	12/31/2015
Non-current asset derivatives	**58**	**-**
o/w interest rate derivatives	58	-
o/w other derivatives	-	-
Current asset derivatives	**5,567**	**18,677**
o/w interest rate derivatives	1,947	512
o/w other derivatives	3,620	18,165
Non-current liability derivatives	**(12,941)**	**(38,424)**
o/w interest rate derivatives	(12,941)	(38,424)
o/w other derivatives	-	-
Current liability derivatives	**(23,115)**	**(18,588)**
o/w interest rate derivatives	(20,782)	(424)
o/w other derivatives	(2,333)	(18,164)
TOTAL DERIVATIVE INSTRUMENTS	**(30,431)**	**(38,335)**

9.3 Fair value of financial assets and liabilities

(In millions of euros)		12/31/2016 Carrying amount	12/31/2016 Fair value	Breakdown by financial instrument category: Fair value through profit or loss	Fair value through equity	Loans and receivables	Debt at amortized cost	Derivative instruments
Financial assets (non-current)	8.2	1,393	1,393	831	562	-	-	-
Other non-current assets	4.6	14	14	-	-	14	-	-
Trade and other receivables	4.3	603	603	-	-	603	-	-
Financial assets (current)	8.2	45	45	-	45	-	-	-
Other assets	4.6 - 9.2	49	49	-	-	44	-	6
Other short-term deposits	13.1	65	65	65	-	-	-	-
Restricted cash	13.1	12	12	12	-	-	-	-
Cash and cash equivalents	13.1	1,503	1,503	1,503	-	-	-	-
FINANCIAL ASSETS		**3,684**	**3,684**	**2,411**	**607**	**661**	**-**	**6**
Long-term borrowings	9.1	2,800	2,884	-	-	-	2,884	-
Other non-current liabilities	4.6	62	62	-	-	49	-	13
Trade and other payables	4.4	613	613	-	-	613	-	-
Other liabilities	4.6 - 9.2	512	512	-	-	489	-	23
Bank overdrafts and current portion of long-term borrowings	9.1	281	281	5	-	-	276	-
FINANCIAL LIABILITIES		**4,268**	**4,352**	**5**	**-**	**1,151**	**3,160**	**36**

(In millions of euros)	12/31/2015 Carrying-amount	12/31/2015 Fair value	Breakdown by financial instrument category: Fair value through profit or loss	Fair value through equity	Loans and receivables	Debt at amortized cost	Derivative instruments
Financial assets (non-current)	729	729	-	729	-	-	-
Other non-current assets	11	12	6	-	5	-	-
Trade and other receivables	218	218	-	-	218	-	-
Financial assets (current)	89	89	-	89	-	-	-
Other assets	30	30	-	-	11	-	19
Other short-term deposits	15	15	15	-	-	-	-
Restricted cash	21	21	21	-	-	-	-
Cash and cash equivalents	1,173	1,173	1,173	-	-	-	-
FINANCIAL ASSETS	**2,287**	**2,287**	**1,216**	**818**	**235**	**-**	**19**
Long-term borrowings	1,527	1,539	-	-	-	1,539	-
Other non-current liabilities	43	43	-	-	4	-	38
Trade and other payables	173	173	-	-	173	-	-
Other liabilities	232	232	-	-	213	-	19
Bank overdrafts and current portion of long-term borrowings	37	37	1	-	-	36	-
FINANCIAL LIABILITIES	**2,013**	**2,025**	**1**	**-**	**391**	**1,576**	**57**

The main measurement methods adopted are as follows:

- items recognized at fair value through profit or loss are, in the same way as derivatives, marked-to-market (for listed instruments) or marked to a model based on interbank market rates (Euribor, etc.);
- financial assets at fair value through equity are measured by reference to recent transactions or the net asset value;
- borrowings are recognized at amortized cost, using the effective interest method. For unlisted debt, the fair value shown only reflects interest rate movements for fixed-rate debt and any potential movements in Group credit risk for the whole risk;
- given their extremely short due dates, the fair value of trade receivables and payables is considered equivalent to their carrying amount.

9.4 Net financial expense

(In thousands of euros)	Note	2016	2015
Interest on borrowings		(133,106)	(188,142)
Total finance costs, gross		**(133,106)**	**(188,142)**
Income and expenses on changes in interest-rate derivatives	9.2	11,856	(7,135)
Hedging reserve reclassified to profit or loss		(6,666)	(58,840)
Income and expenses on changes in other derivatives	9.2	865	(103)
Fair value gains losses on financial assets held for trading		-	2
Other financial income and expenses		1,437	889
Total income and expenses on cash, cash equivalents and other financial instruments		**7,492**	**(65,187)**
Total finance costs, net		**(125,614)**	**(253,329)**
Foreign exchange losses		(18,239)	(53,158)
Foreign exchange gains		8,293	32,765
Interest expense relating to the employee benefits obligation	5.2	(573)	(580)
Reclassification of the hedging reserve – impact of share disposals		(1,072)	-
Reclassification of the foreign currency translation reserve – impact of share disposals		(895)	-
Other		(10,023)	(4,585)
Total other financial income and expenses		**(22,510)**	**(25,558)**
NET FINANCIAL EXPENSE		**(148,124)**	**(278,887)**

The decrease in interest on borrowings is mainly due to changes in the consolidation scope (the deconsolidation of Europcar mid 2015 was partially offset by entries into the consolidation scope in 2016).

The reclassification of the hedging reserve to profit or loss is due to the rupture of ANF Immobilier group hedging relationships.

9.5 Risk management

9.5.1 *Liquidity risk*

The Group relies mainly on the tailored use of credit facilities and bond issues to achieve its aim of maintaining the correct balance between continuity of funding and flexibility.

As of December 31, 2016, forecast repayments on consolidated debt and related interest payments were calculated based on the following assumptions:

- 2017 repayment flows assume the non-renewal of credit facilities and the repayment of bank overdrafts;
- the figures for interest payable reflect total interest payable until the due date or planned repayment date of the relevant loan. They were estimated based on "forward" rates calculated from the yield curves as of December 31, 2016;
- with the exception of the repayment of the debt relating to the investment in AccorHotels (repaid at the beginning of January 2017) future cash flows are based on outstandings presented in the balance sheet at the end of the fiscal year, and do not take account of any possible subsequent management decisions capable of significantly changing the Group's borrowings structure or hedging policy.

(In millions of euros)	Carrying amount	2017 Cash flows					
	Amortized cost	**Nominal**	**Contractual fixed-rate interest**	**Hedged floating-rate interest**	***o/w Floating-rate interest***	***o/w Hedge impact***	**Unhedged floating-rate interest**
Asmodee bond issue	3.2	3.2	-	-	-	-	-
Eurazeo PME investments' bond issues	189.2	9.2	0.9	5.7	*5.5*	*0.2*	4.5
Eurazeo Partners bond issue	3.6	3.6	-	-	-	-	-
Legendre Holding 19 (AccorHotels) loan	149.5	149.1	-	-	-	-	0.4
ANF Immobilier loan	525.9	12.2	1.1	6.5	*0.9*	*5.6*	8.6
Eurazeo PME investments' loans	414.4	32.8	1.6	1.9	*1.8*	*0.1*	13.8
Asmodee loans	238.4	6.0	-	-	-	-	8.9
Fintrax loans	266.1	23.8	-	-	-	-	19.2
Grape Hospitality loans	326.5	5.0	0.9	5.7	*5.7*	-	0.3
Novacap loans	452.9	30.9	0.1	7.2	*7.2*	-	11.6
Sommet Education loans	153.3	-	-	-	-	-	13.8
Bank overdrafts	5.2	5.2	-	-	-	-	-
Finance leases	197.3	12.3	0.1	2.2	*1.1*	*1.1*	2.0
Other loans	155.7	8.6	0.6	0.3	*0.2*	*0.1*	0.7
TOTAL BORROWINGS	**3,081.1**	**301.8**	**5.3**	**29.4**	***22.3***	***7.1***	**83.8**

(In millions of euros)	Carrying amount	2018-2021 Cash flows					
	Amortized cost	**Nominal**	**Contractual fixed-rate interest**	**Hedged floating-rate interest**	***o/w Floating-rate interest***	***o/w Hedge impact***	**Unhedged floating-rate interest**
Asmodee bond issue	3.2	-	-	-	-	-	-
Eurazeo PME investments' bond issues	189.2	*77.9*	4.8	19.2	*18.7*	*0.5*	16.0
Eurazeo Partners bond issue	3.6	-	-	-	-	-	-
Legendre Holding 19 (AccorHotels) loan	149.5	-	-	-	-	-	-
ANF Immobilier loan	525.9	447.3	4.0	21.3	*2.6*	*18.7*	23.9
Eurazeo PME investments' loans	414.4	85.5	4.7	3.2	*3.0*	*0.2*	53.9
Asmodee loans	238.4	237.6	-	-	-	-	31.6
Fintrax loans	266.1	-	-	-	-	-	74.1
Grape Hospitality loans	326.5	11.2	3.4	28.0	*22.5*	*5.5*	0.9
Novacap loans	452.9	-	-	21.8	*21.9*	*(0.0)*	46.0
Sommet Education loans	153.3	-	-	-	-	-	52.7
Bank overdrafts	5.2	-	-	-	-	-	-
Finance leases	197.3	47.1	0.1	15.6	*8.6*	*6.9*	3.0
Other loans	155.7	133.8	1.5	-	-	-	2.2
TOTAL BORROWINGS	**3,081.1**	**1,040.4**	**18.6**	**109.1**	***77.4***	***31.8***	**304.3**

(In millions of euros)	Carrying amount Amortized cost	2022 Cash flows and beyond Nominal	Contractual fixed-rate interest	Hedged floating-rate interest	*o/w Floating-rate interest*	*o/w Hedge impact*	Unhedged floating-rate interest
Asmodee bond issue	3.2	-	-	-	-	-	-
Eurazeo PME investments' bond issues	189.2	111.3	40.6	4.2	*4.1*	*0.1*	0.2
Eurazeo Partners bond issue	3.6	-	-	-	-	-	-
Legendre Holding 19 (AccorHotels) loan	149.5	-	-	-	-	-	-
ANF Immobilier loan	525.9	70.7	0.7	0.0	*0.0*	*0.0*	0.6
Eurazeo PME investments' loans	414.4	313.3	3.0	-	-	-	11.9
Asmodee loans	238.4	-	-	-	-	-	-
Fintrax loans	266.1	250.3	-	-	-	-	17.0
Grape Hospitality loans	326.5	332.1	0.3	12.4	*9.7*	*2.7*	0.3
Novacap loans	452.9	435.0	-	-	-	-	19.8
Sommet Education loans	153.3	170.0	-	-	-	-	19.8
Bank overdrafts	5.2	-	-	-	-	-	-
Finance leases	197.3	139.5	0.0	13.6	*12.1*	*1.5*	4.0
Other loans	155.7	22.7	0.3	-	-	-	0.1
TOTAL BORROWINGS	**3,081.1**	**1,844.8**	**44.8**	**30.2**	***25.9***	***4.3***	**73.6**

(In millions of euros)	Carrying amount Amortized cost	Estimated future cash flows as of December 31, 2016 Principal	Total hedged fixed-rate/ floating-rate interest	Total unhedged floating-rate interest
Asmodee bond issue	3.2	3.2	-	0.0
Eurazeo PME investments' bond issues	189.2	198.3	75.4	20.6
Eurazeo Partners bond issue	3.6	3.6	-	-
Legendre Holding 19 (AccorHotels) loan	149.5	149.1	-	0.4
ANF Immobilier loan	525.9	530.2	33.6	33.1
Eurazeo PME investments' loans	414.4	431.6	14.5	79.6
Asmodee loans	238.4	243.6	-	40.6
Fintrax loans	266.1	274.1	-	110.3
Grape Hospitality loans	326.5	348.4	50.6	1.4
Novacap loans	452.9	465.9	29.2	77.4
Sommet Education loans	153.3	170.0	-	86.3
Bank overdrafts	5.2	5.2	-	-
Finance leases	197.3	198.9	31.5	9.1
Other loans	155.7	165.1	2.7	3.0
TOTAL BORROWINGS	**3,081.1**	**3,187.0**	**237.5**	**461.8**

9.5.2 *Interest rate risk*

The Eurazeo group is exposed to interest rate risk (the impact of interest rate movements on the net financial expense and equity). Management actively manages this exposure to risk through the use of a number of derivative instruments. The purpose is to reduce fluctuations in cash flow resulting from changes in interest rates, where the Company deems it appropriate.

Account is not taken of fixed-rate financial instruments measured at amortized cost when calculating sensitivity to interest rate risk.

Changes in the yield curve impact financial instruments as follows:

- financial instruments designated as cash flow hedges: impact on the fair value of the instrument recognized in hedging reserves in equity;

- non-derivative floating-rate financial instruments (not hedged): impact on total finance costs, gross;
- interest rate derivatives not qualifying for hedge accounting (interest rate swaps, caps, etc.): impact on fair value with gains and losses recognized in profit or loss.

The following table presents the impact on Eurazeo group net finance costs and equity (before tax) of a 100 basis point increase or decrease in interest rates and assuming an instant impact, parallel across the full length of the curve, occurring from Day 1 of the fiscal year and remaining constant thereafter:

	+100 bp		-100 bp	
Nature *(In thousands of euros)*	**Hedging reserves**	**Net financial expense**	**Hedging reserves**	**Net financial expense**
Financial instruments designated as hedging instruments	14,442	(2,068)	(11,015)	(743)
Non-derivative floating-rate financial instruments (not hedged)		(19,880)		14,207
Interest-rate derivatives (not qualifying for hedge accounting)		5,892		(7,156)
TOTAL IMPACT (BEFORE TAX)	**14,442**	**(16,056)**	**(11,015)**	**6,308**
Sensitivity of equity to changes in interest rates	*+100 bp*	***0.0%***	*-100 bp*	***-0.1%***
Sensitivity of net finance costs to changes in interest rates	*+100 bp*	***-12.8%***	*-100 bp*	***5.0%***

NOTE 10 PROVISIONS

Provisions break down as follows:

(In thousands of euros)	**Employee benefit liabilities**	**Disputes**	**Other**	**12/31/2016**	**12/31/2015**
Opening balance	**31,258**	**1,777**	**25,720**	**62,447**	**508,983**
Additions/charge for the period	2,407	1,083	15,080	18,570	124,203
Change in consolidation scope	44,789	2,923	9,340	57,052	(473,163)
Reductions/reversals of provisions	(2,852)	(1,816)	(17,760)	(22,429)	(96,823)
Reclassifications/Foreign currency translation/Actuarial gains and losses	(18,017)	1,198	(2,429)	(19,248)	(753)
Closing balance	**57,584**	**5,165**	**29,951**	**92,700**	**62,447**
Due in less than one year	*1,348*	*1,960*	*14,057*	*17,365*	*21,436*
Due in more than one year	*56,236*	*3,205*	*15,894*	*75,335*	*37,319*

10.1 Employee benefit liabilities

Note 5.2 provides a breakdown of the nature of employee benefit liabilities and key valuation assumptions.

10.2 Provisions for litigation and other provisions

Provisions for litigation and other provisions primarily concern litigation, restructuring, provisions for tax risks and miscellaneous provisions.

In addition, Eurazeo group identifies contingent liabilities related to disputes or legal proceedings arising in the ordinary course of business, the impact of which cannot be quantified at the year-end (see Section 3.4, Risk management, internal control and main risk factors, of this Registration Document).

To the best of Eurazeo's knowledge, there are no legal or arbitration proceedings that could have or recently have had a material impact on the financial position or profitability of the consolidated group.

NOTE 11 INCOME TAX EXPENSE

11.1 Proof of tax

(In thousands of euros)	2016	2015
Consolidated net income	643,008	1,544,166
Share of income of associates	(90,417)	(78,043)
Net income from discontinued operations, net of tax	5,596	507
Current income tax expense	*47,722*	*48,115*
Deferred income tax	*(15,560)*	*(15,665)*
Income tax expense	32,162	32,450
Net income before tax	590,349	1,499,080
Theoretical tax rate	34.43%	34.43%
Theoretical tax charge	**203,257**	**516,133**
Actual tax charge	**32,162**	**32,450**
Impact of taxation not based on net income *	12,854	20,432
Difference	**183,949**	**504,115**
Breakdown of the difference		
Difference in tax rates	(8,892)	369
Non-taxable items	312,001	634,523
Non-deductible items	(110,021)	(88,127)
Items taxable at reduced rates	(1,486)	(977)
Tax losses carried forward not capitalized	(20,163)	(56,006)
Offset of tax losses carried forward not capitalized	796	3,971
Impact of commercial real estate tax regime	6,223	7,315
Other	5,491	3,047

* *Primarily IRAP (Italy) and CVAE (France).*

Non-taxable items primarily concern accounting journals in respect of changes in scope during the year (mainly Elis, Moncler and Foncia). Non-deductible items mainly concern the impairment recognized on Europcar shares.

11.2 Analysis of the capitalization of tax losses

Deferred tax assets are recognized in respect of tax losses carried forward wherever it is probable that they can be offset against future taxable income within a reasonable timeframe or where there is a deferred tax liability with a similar reversal date.

Tax losses break down as follows:

(In thousands of euros)	Before	2016	Total
Tax losses (base)	**365,995**	**79,324**	**445,319**
Tax losses capitalized	55,670	29,193	84,863
Tax loss utilization cut-off date	unlimited	unlimited	
Deferred tax assets arising from tax losses	**17,311**	**8,399**	**25,710**
i.e. an average tax rate of:	*31.10%*	*28.77%*	*30.30%*
Tax losses for which no deferred tax asset has been recognized (base)	310,325	50,131	360,456

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11.3 Sources of deferred tax

(In thousands of euros)	12/31/2015 net	Change in consol. scope	Net income	Impact on equity	Impact of foreign currency transl.	12/31/2016 net
Deferred tax sources – Asset items						
Intangible assets	(152,384)	(158,159)	17,414	-	(1,496)	(294,625)
Property, plant and equipment	(1,799)	(64,519)	(6,638)	-	(81)	(73,037)
Investment properties	(34,133)	-	(1,727)	-	-	(35,860)
Financial assets	(245)	9	(43)	-	-	(279)
Other assets	(14,486)	(2,707)	4,226	-	(932)	(13,899)
Derivative financial instruments – assets	(30)	94	(5,403)	-	-	(5,339)
Deferred tax sources – Liability items						
Provisions	(6,289)	2,043	4,001	-	-	(245)
Employee benefits	2,102	8,294	(648)	28	48	9,824
Borrowings	411	(2,413)	(2,396)	-	-	(4,398)
Other liabilities	(7,043)	68	(704)	-	(2)	(7,681)
Derivative financial instruments – liabilities	9,076	2	(2,477)	737	-	7,338
Other liabilities	1,171	3,423	2,695	-	16	7,305
Tax losses carried forward	6,654	11,812	7,260	-	(16)	25,710
Net deferred tax assets (liabilities)	**(196,996)**	**(202,053)**	**15,560**	**765**	**(2,463)**	**(385,187)**
Deferred tax assets	16,189					32,964
Deferred tax liabilities	(213,185)					(418,151)

NOTE 12 EQUITY AND EARNINGS PER SHARE

12.1 Equity

Equity attributable to owners of the Company is €4,487.0 million, or €66.73 per share, as of December 31, 2016.

The Eurazeo share price was €55.58 per share as of December 30, 2016.

12.1.1 Share capital

As of December 31, 2016, the share capital was €212,597 thousand, comprising 69,704,094 fully paid-up shares of the same class (including 2,467,422 treasury shares).

12.1.2 Dividends paid

(In euros)	2016	2015
Total dividend distribution	159,304,584.00	79,256,919.60
Dividend paid in cash	159,304,584.00	79,256,919.60
Dividend paid in shares	-	-
DIVIDEND PER SHARE PAID IN CASH	**2.40**	**1.20**

The Shareholders' Meeting of May 12, 2016 approved the distribution of a dividend of €1.20 per share and an exceptional distribution of reserves of €1.20 per share.

The total distribution to shareholders was therefore €159,305 thousand.

Furthermore, a one-for-twenty bonus share issue was also performed.

12.2 Earnings per share

(In thousands of euros)	2016	2015
Net income attributable to owners of the Company	519,747	1,276,040
Weighted average number of ordinary shares outstanding	67,993,206	67,593,355
Reported basic earnings per share	**7.64**	**18.88**
Basic earnings per share adjusted for bonus share grants [1]	**-**	**17.98**
Weighted average number of potential ordinary shares	67,993,206	67,593,355
Reported diluted earnings per share	**7.64**	**18.88**
Diluted earnings per share adjusted for bonus share grants	**-**	**17.98**

(1) Adjusted for the decision of the Shareholders' Meeting of May 7, 2014 (distribution of 3,507,870 bonus shares on May 20, 2016).

NOTE 13 BREAKDOWN OF CASH FLOWS

13.1 Cash assets

The cash flow statement analyzes changes in cash presented net of bank overdrafts and including restricted cash.

As of December 31, 2016, restricted cash consists of cash allocated to the Eurazeo liquidity contract and the restricted cash of the Sommet Education and Novacap groups.

(In thousands of euros)	Note	12/31/2016	12/31/2015
Demand deposits		1,087,500	961,545
Term deposits and marketable securities		415,797	211,780
Cash and cash equivalent assets	**9.1**	**1,503,297**	**1,173,325**
Restricted cash	**9.1**	**12,070**	**21,089**
Bank overdrafts		(5,161)	(1,200)
Cash and cash equivalent liabilities	**9.1**	**(5,161)**	**(1,200)**
NET CASH AND CASH EQUIVALENTS		**1,510,205**	**1,193,214**
Other short-term deposits	9.1	64,917	14,902
Other financial assets [1]	9.1	-	-
TOTAL GROSS CASH ASSETS		**1,580,284**	**1,209,316**

(1) Recognized in other non-current assets.

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13.2 Working Capital Requirement (WCR) components

The change in current assets and liabilities contributing to working capital requirements breaks down as follows:

(In thousands of euros)	Note	12/31/2015	Change in WCR	Change in consolidation scope	Reclassifications	Foreign currency translation and other	12/31/2016
Inventories		(81,298)	(16,957)	(125,071)	(229)	381	(223,174)
Trade and other receivables	4.3.1	(218,328)	(113,627)	(282,611)	(4,313)	21,719	(597,160)
Other current assets	4.5.2	(7,703)	(18,628)	(19,077)	(1,223)	5,525	(41,106)
Trade and other payables	4.4	143,796	107,868	204,925	892	(1,834)	455,647
Other liabilities	4.5.2	213,272	(23,670)	280,306	6,315	12,701	488,924
TOTAL WCR COMPONENTS		**49,739**	**(65,014)**	**58,472**	**1,442**	**38,492**	**83,131**

13.3 Net cash flows from operating activities

Cash flows from operating activities totaled €137.7 million (compared with €75.5 million in 2015, adjusted for Europcar vehicle fleet flows in the first six months).

The entry into the scope of consolidation of Fintrax, Novacap, Sommet Education, Grape Hospitality, Flash Europe, MK Direct and Orolia had a material impact on net cash flows from operating activities.

13.4 Net cash flows from investing activities

Purchases of investment properties by ANF Immobilier totaled €61.4 million. ANF Immobilier continued its investments, notably in Lyons and Bordeaux.

Purchases of intangible assets and property, plant and equipment mainly reflect the acquisition by Grape Hospitality of a hotel portfolio from AccorHotels.

Purchases of investments and financial assets mainly reflect the acquisition of Glion and Les Roches by Eurazeo (€226.5 million), Novacap by Eurazeo (€163.1 million), Les Petits Chaperons Rouges by Legendre Holding 47 and Eurazeo (€144.4 million), Enigma by Asmodee (€12.3 million) and for the Eurazeo PME group, company build-ups and investments (Flash Europe, MK Direct and Orolia) of €183.7 million in shares and €34.1 million in bonds.

Proceeds from sales of investments mainly reflect the sale of Elis shares for €473.5 million (received by Legendre Holding 27, Eurazeo and ECIP Elis), Foncia shares for €354.5 million (supplemented by €214.5 million for bonds sold) and Moncler shares for €230.1 million (received by ECIP Moncler).

The impact of changes in consolidated scope mainly concern the entry into the consolidation scope of Fintrax, Grape Hospitality, Novacap, Sommet Education, Flash Europe, MK Direct and Orolia.

Finally, dividends received from associates were primarily distributed by the AccorHotels (€12.2 million), Elis (€6.8 million) and Moncler (€5.4 million) groups.

13.5 Net cash flows from financing activities

Net cash flows from financing activities include refinancing flows for the Asmodee debt and the debt of two Eurazeo PME investments (Dessange and Vignal), financing flows for the acquisition of Grape Hospitality and Sommet Education and the repayment of the Elis (Legendre Holding 27) debt.

The €159.3 million dividend distribution by Eurazeo is also reflected in net cash flows from financing activities. Other dividends paid primarily concern amounts paid by ANF Immobilier to minority interests.

NOTE 14 OTHER INFORMATION

14.1 Post-balance sheet events

Post-balance sheet events are presented in the Management Report.

14.2 Group audit fees

Audit fees expensed within the Group break down as follows:

(In thousands of euros)	Mazars				Pricewaterhouse Coopers				Other *	2016
	Eurazeo	Subsidiaries	Total	%	Eurazeo	Subsidiaries	Total	%		
Certification of the financial statements	**336**	**694**	**1,030**	***86%***	**353**	**2,024**	**2,377**	***68%***	**2,180**	**5,587**
Non-audit services										
Capital transactions, due diligences, attestations, services relating to social and environmental information, etc.	40	96	136	*11%*	208	763	971	*28%*	357	1,464
Tax, legal and corporate	-	30	30	*3%*	-	137	137	*4%*	75	242
TOTAL FEES	**376**	**820**	**1,196**	***100%***	**561**	**2,924**	**3,485**	***100%***	**2,612**	**7,293**

* *Services rendered to subsidiaries only.*

(In thousands of euros)	Mazars				Pricewaterhouse Coopers				Other *	2015
	Eurazeo	Subsidiaries	Total	%	Eurazeo	Subsidiaries	Total	%		
Statutory audit										
Audit, certification and inspection of separate and consolidated financial statements	329	832	1,161	*67%*	345	978	1,322	*28%*	1,541	4,024
Other diligences and services directly related to the audit engagement	24	555	579	*33%*	2,868	504	3,372	*71%*	60	4,011
Other services rendered by the network										
Tax, legal and corporate	-	-	-	*0%*	34	35	69	*1%*	-	69
Other	-	-	-	*0%*	2	-	2	*0%*	-	2
TOTAL FEES	**353**	**1,387**	**1,740**	***100%***	**3,249**	**1,516**	**4,765**	***100%***	**1,601**	**8,107**

* *Services rendered to subsidiaries only.*

Audit fees paid to PricewaterhouseCoopers Audit (France) and Mazars SA (France) totalled €336 thousand each for the parent company, Eurazeo SA and €1,024 thousand and €378 thousand for the French subsidiaries of the group, respectively.

Fees for non-audit services in 2016 and other diligences and services directly related to the audit engagement in 2015 mainly concern procedures relating to acquisitions, sustainable development, NAV and various financial transactions.

14.3 Off-balance sheet commitments

	12/31/2016						
(In thousands of euros)	Total	Holding company	Eurazeo Capital	Eurazeo PME	Eurazeo Croissance	Eurazeo Patrimoine	12/31/2015
Commitments given	**(2,422.5)**	**(284.1)**	**(1,008.6)**	**(85.5)**	**(7.2)**	**(1,037.2)**	**(1,512.1)**
Assigned receivables not due (Dailly forms, etc.)	(2.9)	-	(2.9)	-	-	-	(11.6)
Pledges, mortgages and collateral							
• AccorHotels shares (closing price)	(427.3)	-	(427.3)	-	-	-	(482.5)
• Other pledges, mortgages and collateral	(1,269.3)	-	(313.5)	(12.9)	-	(942.9)	(757.8)
Sureties, deposits and guarantees given	(73.2)	-	(1.0)	(20.2)	-	(52.0)	(47.0)
Operating leases:							
• Minimum lease payments under noncancellable operating leases (< 1 year)	(30.6)	(2.8)	(23.5)	(4.3)	-	-	(8.3)
• Minimum lease payments under noncancellable operating leases (1 to 5 years)	(127.0)	(11.2)	(85.8)	(30.0)	-	-	(22.7)
• Minimum lease payments under noncancellable operating leases (< 5 years)	(150.1)	(8.4)	(141.2)	(0.5)	-	-	(12.5)
Vendor warranties	(21.3)	(15.5)	(0.3)	(5.5)	-	-	(15.5)
Other commitments given:							
• Capzanine	-	-	-	-	-	-	(100.0)
• iM Square	(7.2)	-	-	-	(7.2)	-	(6.0)
• Colyzeo and Colyzeo II	-	-	-	-	-	-	(3.0)
• Purchase commitments	(257.5)	(240.0)	-	-	-	(17.5)	-
• Sales commitments	(0.8)	-	-	-	-	(0.8)	(18.3)
• Key employee	(8.0)	-	-	(8.0)	-	-	-
• Other	(47.5)	(6.2)	(13.3)	(4.0)	-	(23.9)	(26.9)
Commitments received	**1,855.1**	**1,428.7**	**69.5**	**198.5**	**-**	**158.5**	**1,134.1**
Eurazeo Capital II limited partners subscription commitment	428.7	428.7	-	-	-	-	-
Sureties, deposits and guarantees received	67.5	-	4.8	2.4	-	60.3	36.8
Vendor warranties	14.1	-	-	14.1	-	-	-
Syndicated credit facility	1,000.0	1,000.0	-	-	-	-	1,000.0
Other commitments received	345.0	-	64.7	182.1	-	98.2	97.3

Holding companies business

Eurazeo commitments

All Eurazeo commitments deemed material under current accounting standards are described below, with the exception of those resulting from confidential shareholders' agreements.

COMMITMENTS GIVEN

Pursuant to the sale to Carlyle of Groupe B&B Hotels (GBB) shares on September 28, 2010, Eurazeo granted a number of warranties:

- a general warranty covering standard statements concerning all Groupe B&B Hotels companies;
- a specific warranty covering risks relating to management-agent disputes arising before March 31, 2012; compensation payable under this warranty is capped at €14.6 million, and the maximum portion attributable to Eurazeo based on its direct and indirect investment in GBB is €10.5 million, of which €6.5 million has already been paid;
- a specific warranty covering tax risks capped at €16 million and expiring at the end of the applicable limitations period; the maximum portion attributable to Eurazeo based on its direct and indirect investment in GBB is €11.5 million, partially covered by an insurance policy purchased in this respect.

Under the terms of a shareholders' agreement signed on June 25, 2014 between ANF Immobilier, Eurazeo and Midi Patrimoine, Eurazeo undertook to make an equity contribution to ANF Immobilier Hotels' current account, up to a maximum amount of €22.7 million. The residual commitment as of December 31, 2016 is €3.8 million. The repayment of these current account receivables is subordinate (in capital, interest and incidental amounts) to the repayment of amounts due by ANF Immobilier Hôtels to lenders under a loan agreement dated June 27, 2014 between ANF Immobilier Hôtels as borrower, Caisse d'Epargne et de Prévoyance Provence Alpes Corse as lender, agent, security agent, book runner and arranger, BPI and CIC as lenders, ANF Immobilier, Eurazeo and Midi Patrimoine as partners of the borrower and Natixis as hedging bank.

Pursuant to the acquisition of an investment in the LPCR group, Eurazeo entered into a shareholders' agreement on March 29, 2016 with Legendre Holding 47, Jean-Emmanuel Rodocanachi, Athina Conseil and Bpifrance. Under the terms of this agreement, Eurazeo granted sales commitments covering all its shares exercisable under certain circumstances in favor of Jean-Emmanuel Rodocanachi and Athina Conseil.

Pursuant to the acquisition of a portfolio of assets in the confectionery and chocolate sector by its subsidiary CPK SAS, Eurazeo undertook to ensure CPK SAS fulfills its obligations under the acquisition contract up to a maximum amount of €240 million to September 30, 2017.

Eurazeo undertook to subscribe, in the amount of its preferential subscription right (*i.e.* approximately €2.5 million), to the share capital increase scheduled by Elis for the first quarter of 2017.

VENDOR WARRANTIES RECEIVED

Pursuant to the acquisition by Immobilière Bingen of ANF Immobilier shares, a vendor warranty agreement was entered into on March 1, 2005 with Finaxa, the seller of the ANF Immobilier shares. Following the dissolution without liquidation of Immobilière Bingen and the comprehensive transfer of its assets to Eurazeo, Eurazeo assumed all the rights and obligations of Immobilière Bingen under this agreement. This warranty has expired, except in respect of certain real estate assets for which the warranty is unlimited, both in amount and in duration and for certain claims relating to tax, mandatory payment, social security and customs issues, which are not statute barred.

Pursuant to the acquisition of an investment in the LPCR group, Eurazeo holds specific vendor warranties granted by Athina Conseil.

OTHER COMMITMENTS RECEIVED

On June 27, 2014, Eurazeo secured a five-year €1 billion loan with a banking syndicate, which was extended on two occasions by one year, *i.e.* until June 27, 2021. As of December 31, 2016, this loan had not been drawn and the total commitment received by Eurazeo stood at €1 billion.

COMMITMENTS GIVEN TO HOLD SECURITIES

As part of the guarantee covering Eurazeo Real Estate Lux's investment in Colyzeo II, Eurazeo undertook to hold the entire share capital of Eurazeo Real Estate Lux.

Pursuant to a loan agreement dated June 27, 2014 between ANF Immobilier Hôtels as borrower, Caisse d'Epargne et de Prévoyance Provence Alpes Corse as lender, agent, security agent, book runner and arranger, BPI and CIC as lenders, ANF Immobilier, Eurazeo and Midi Patrimoine as partners of the borrower and Natixis as hedging bank, Eurazeo undertook to retain the shares it holds in ANF Immobilier Hôtels throughout the term of the loan, that is, until June 27, 2021. This commitment expired on the sale of the ANF Immobilier Hôtels shares in January 2017.

On June 30, 2015, SCI CIFA Asset signed a finance lease agreement for the acquisition of real estate assets in Aubervilliers. This finance lease agreement includes a commitment by Eurazeo to hold, directly or indirectly, at least 75% of the share capital and voting rights of SCI CIFA Partners for a period of 12 years, that is, until June 29, 2027.

Pursuant to shareholders' agreements entered into with third parties, Eurazeo has undertaken, as appropriate, to maintain certain investment levels in intermediary holding companies.

CO-INVESTMENT CONTRACTS

The 2009-2011 co-investment program through the partnership Investco 5 Bingen expired in December 2016 due to (i) the disposals performed in 2016, which led to more than 50% of investments being considered sold during the period under the terms of the applicable contract and (ii) the attainment of the preferential return of 6%. Eurazeo therefore has three related commitments as of December 31, 2016:

- following the exercise of call options resulting in the purchase of Investco 5 Bingen shares from managers having left the group, Eurazeo has an obligation to pay an upside payment corresponding to all distributions and income that Eurazeo will receive from the partnership Investco 5 Bingen. As of December 31, 2016, Eurazeo holds 1,227,406 shares acquired at a price of one euro per shareholder;
- to facilitate the unwinding of this program, Eurazeo also issued a firm repurchase offer expiring on January 13, 2017 for shares in the partnership Investco 5 Bingen held by other Investco 5 Bingen shareholders. This offer represents a maximum amount payable of €69.3 million based on the NAV as of December 12, 2016, of which €41.2 million has already been paid as of December 31, 2016 for the acquisition of 1,577,711 shares from certain partners.

- Eurazeo is committed to paying a total upside payment to Investco 5 Bingen representing 10% of the capital gain on the investments concerned, based on the Net Asset Value (NAV) as of December 31, 2016, within 30 days of the date of acceptance by the partnership Investco 5 Bingen of the amount of the total upside payment that will be communicated by Eurazeo after determining the NAV. This commitment is provided in the accounts as of December 31, 2016 in the amount of €98.9 million. However, following the repurchase of the aforementioned shares, Eurazeo will receive all amounts distributed by Investco 5 Bingen in respect of these shares.

Commitments involving Eurazeo Capital II SCS

Subscription commitments received by Eurazeo Capital II SCS total €505.1 million. As of December 31, 2016, residual commitments received total €428.7 million.

Commitments involving ECIP Elis

ECIP Elis undertook to subscribe, in the amount of its preferential subscription right (*i.e.* approximately €500,000), to the share capital increase scheduled by Elis for the first-quarter of 2017.

Commitments involving Legendre Holding 27

Legendre Holding 27 undertook to subscribe, in the amount of its preferential subscription right (*i.e.* approximately €52 million), to the share capital increase scheduled by Elis for the first-quarter of 2017.

Commitments involving Legendre Holding 29

Pursuant to an acquisition agreement signed on March 17, 2014, La Vida Es Chula S.L. granted Eurazeo (with Legendre Holding 29 assuming the rights), subject to the realization of certain conditions, a call option covering 4% of the share capital of Abasic SL, exercisable from the fifth anniversary of completion of the acquisition, that is from July 10, 2019.

Legendre Holding 29 also undertook not to sell its Abasic SL shares during a period of 5 years from the transaction closing (July 10, 2014).

Commitments involving Legendre Holding 35

Under the terms of a shareholders' agreement signed on April 7, 2015, Legendre Holding 35 undertook not to sell its Neovia (formerly InVivo NSA) shares during a period of four years. The Parties to this shareholders' agreement also granted various rights concerning share transfers.

Commitment received by RedBirds US LP

Pursuant to the sale by RedBirds US LP to FC Co-Investment Limitpar LLC, a Colony group entity, of its interest in FC Co-Investment Partner LP for US$1 on August 26, 2009, RedBirds US LP holds a financial recovery clause enabling the receipt of 80% of any profits realized by FC Co-Investment Limitpar LLC or any Colony group entity on the sale of these shares to a third party.

Commitments involving Sphynx SARL

Pursuant to the sale of the investment in Foncia, Sphynx S.à.r.l assumed the commitments granted by Sphynx 2 under a general warranty covering standard statements in respect of shares sold and a specific tax warranty covering a period of one year commencing September 7, 2016.

Commitments involving Carryco Capital I

Pursuant to the signature of an investment protocol on November 14, 2014, Carryco Capital 1 undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2014 to December 31, 2017 (potentially extended one year to December 31, 2018) in the amount of 10% of the total investment planned by Eurazeo.

Commitments involving Carryco Croissance

Pursuant to the signature of an investment protocol on December 29, 2014, Carryco Croissance undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2012 to December 31, 2013 in the amount of 10% of the total investment planned by Eurazeo.

Commitments involving Carryco Croissance 2

Pursuant to the signature of an investment protocol on June 29, 2015, Carryco Capital 2 undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2015 to December 31, 2017 (potentially extended one year to December 31, 2018) in the amount of 10% of the total investment planned by Eurazeo.

Commitments involving Carryco Patrimoine

Pursuant to the signature of an investment protocol on July 30, 2015, Carryco Patrimoine undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2015 to December 31, 2017 (potentially extended one year to December 31, 2018) in the amount of 10% of the total investment planned by Eurazeo.

"Eurazeo Capital" business

Commitments involving Legendre Holding 19

Pursuant to the refinancing of the acquisition of its investment in AccorHotels, Legendre Holding 19 granted a pledge over its securities accounts for the duration of the financing, *i.e.* until November 17, 2017. As of December 31, 2016, the pledges concerned 12,061,291 AccorHotels shares, representing a total value of €427.3 million based on closing stock market prices.

Following repayment of the debt on January 9, 2017, the pledge covering the 12,061,291 AccorHotels shares was lifted the same day.

Commitments involving Asmodee group companies

Commitments given by the Asmodee group primarily consist of pledges in respect of financial contracts (pledges of inventory, business assets and receivables).

Commitments involving Legendre Holding 47

Pursuant to the acquisition of an investment in the LPCR group on March 29, 2016, Legendre Holding 47 undertook to hold all its shares in Grandir SAS and LPCR group for a minimum period of 5 years.

Legendre Holding 47 also entered into a shareholders agreement on March 29, 2016 with Eurazeo, Jean-Emmanuel Rodocanachi, Athina Conseil and Bpifrance comprising various standard non-competition commitments and commitments governing the transfer of LPCR group shares.

Pursuant to the entry of certain managers into the share capital of Grandir SAS in December 2016, Legendre Holding 47 granted standard share purchase commitments to the managers in the event of death or invalidity and received share sales comitments from the managers.

Commitments involving Sommet Education group companies

Pursuant to the acquisition of the Swiss hotel schools Glion and Les Roches, Graduate SA holds standard warranties capped at 15% of the acquisition price and valid for periods of 18 months to 10 years commencing June 15, 2016 (with the exception of tax warranties granted for a period of up to 3 months following expiry of the applicable limitations periods).

Graduate SA granted a specific warranty in favor of Laureate International B.V. in respect of the transaction financing and valid for a period of 18 months commencing June 15, 2016. Graduate SA and Gesthôtel granted a warranty tied to the financing in favor of financing institutions in respect of the loan agreement of June 14, 2016 and valid until repayment of the loans granted. Graduate SA and Gesthôtel also granted various pledges (of receivables, revenue and bank accounts) guaranteeing the payment obligations and debts of Gesthôtel, GIHE Sàrl and Escuela under lease agreements with the owner of the real estate. Finally, as part of the acquisition financing, Graduate SA granted pledges over receivables, bank accounts and shares in favor of Intermediate Capital Group plc as security agent in respect of loan agreements, valid until payment in full of the obligations guaranteed.

In addition, Graduate received a commitment from the seller to return a portion of the acquisition price, under certain conditions, within 12 months of the acquisition.

Commitments involving Novacap group companies

COMMITMENTS GIVEN

LH Novacap granted standard share purchase commitments to managers applicable in the event of death or permanent disability and holds share sales commitments from such managers.

As part of the acquisition financing, Novacap Group Bidco granted pledges over receivables, financial instrument accounts and bank accounts in favor of the banks party to the credit agreement until extinction of the obligations guaranteed.

In order to secure its prices and supplies, the Novacap group has undertaken, as of December 31, 2016, to buy 100 thousand metric tons of coal and volumes of gas and electricity over the period 2017 to 2019. The group also secured purchase prices for these two energy sources for certain of its sites for the period 2017-2020 (electricity) and 2017-2018 (gas), without any volume commitments.

Finally, as of December 31, 2016, the group has entered into a forward purchase of CO_2 allowances expiring December 2017 covering a quantity of 100 thousand metric tons of CO_2, to cover part of its requirements for the coming periods.

A letter of guarantee was issued to a supplier by one of the group companies for an amount of SGD 435,000.

Furthermore, firm orders in progress (orders placed but not received) in respect of investments total €6.7 million as of December 31, 2016.

RECIPROCAL COMMITMENTS

Pursuant to the agreement entered into with Solvay (formerly Rhodia) on the acquisition of its analgesic product production business, the Group enjoys an exclusive supply agreement for salicylic acid with a Brazilian subsidiary of the Solvay group; in return, the Group has undertaken to purchase the entire salicylic acid production of this site and to cover all its normal operating costs.

COMMITMENTS RECEIVED

Pursuant to the acquisition of an investment in the Novacap group, Novacap Group Bidco holds standard warranties granted by vendors capped at €220 million and valid for a period of one year commencing June 22, 2016.

The Novacap group holds a credit facility of €90 million, including €64.7 million not drawn as of December 31, 2016.

The Novacap group holds a joint and several financial guarantee from an insurance company for a maximum amount of €2.1 million in favor of the Meurthe et Moselle Prefecture, guaranteeing the post-operating rehabilitation of areas for which the Group has received operating authorizations. This rehabilitation commitment is also provided in balance sheet liabilities.

Pursuant to the operation of its limestone quarry for the production of carbonate, an insurance company provided a financial guarantee in favor of the French State of €2.3 million, allowing it to retain its operating authorization.

Certain French companies of the Group have also secured financial guarantees from insurance companies covering security work on classified installations they operate, in the amount of €0.4 million.

Pursuant to the European policy to limit greenhouse gas emissions, the Novacap group was allocated allowances free of charge based on past emissions; in an aggressive bid to reduce emissions, the number of allowances allocated will follow a downward curve over the coming years, decreasing from 573,000 metric tons in 2014 to 501,000 metric tons in 2020.

Commitments involving CPK SAS

COMMITMENTS GIVEN

Pursuant to a purchase agreement signed on November 30, 2016, CPK SAS undertook to purchase, subject to certain conditions, a portfolio of assets in the confectionery and chocolate sector held by the Mondelez group. Under this transaction, CPK SAS granted standard vendor warranties covering its existence and capacity and specific warranties covering (i) the allocation of the purchase price between the different assets sold, (ii) the liabilities transferred and (iii) the production lines excluded from the scope of the transaction.

COMMITMENTS RECEIVED

Pursuant to the aforementioned purchase agreement with the Mondelez group, CPK SAS received a general warranty covering standard statements concerning assets sold and specific warranties covering (i) reorganization operations to be performed prior to the transaction, (ii) assets excluded from the scope of the transaction, (iii) employees transferred and (iv) production lines transferred.

"Eurazeo PME" business

Commitments involving Eurazeo PME group

COMMITMENTS GIVEN

Pledges, mortgages and collateral granted primarily consist of mortgages in Colisée covering a property asset and pledges of business assets.

Bank guarantees have been given by Colisée in respect of a loan and by Vignal in respect of a current account.

Operating leases mainly concern leasehold agreements signed in December 2016 by Léon de Bruxelles, accompanied by a 10-year first-demand guarantee.

COMMITMENTS RECEIVED

Other commitments received mainly concern undrawn credit facilities held by the various Eurazeo PME group investments.

"Eurazeo Croissance" business

Commitments involving Legendre Holding 25

Pursuant to an agreement signed on December 1, 2016, Legendre Holding 25 undertook to take various actions leading to the distribution of geothermic and biogas activities to the founding partners and the entry into Fonroche Energie's share capital of funds managed by Infravia III Invest SA.

Commitments involving Legendre Holding 36

Pursuant to the acquisition of its investment in iM Square, Legendre Holding 36 undertook, on July 6, 2016, to subscribe, on one or more occasions in line with calls for funds by iM Square over a period expiring on June 30, 2019, for iM Square class A shares for a total amount of €25 million, €17.8 million of which had been invested as of December 31, 2016.

"Eurazeo Patrimoine" business

Commitments involving ANF Immobilier

COMMITMENTS GIVEN

Pledges, mortgages and collateral granted primarily consist of mortgages in the amount of €282 million relating to the refinancing of the ANF Immobilier debt, €51.5 million relating to the financing of ANF Immobilier Hotels and €65.2 million relating to the financing of the Silky Way development, as well as €26.8 million of mortgages and pledges on the new financing for investments in Bordeaux office and hotel developments and €45.8 million of senior liens.

First-demand bank guarantees have been given in the amount of €52 million covering the Bordeaux office and hotel off-plan developments.

A €17.5 million purchase commitment was signed for office premises in the Toulouse region.

Other commitments given total €24 million and concern the value of buildings that may not be mortgaged pursuant to various financing agreements and a mortgage commitment.

COMMITMENTS RECEIVED

The main sureties, deposits and guarantees are as follows:

- €52 million of new performance bonds in respect of SCI Orianz and SCI Factor E office investments in Bordeaux;
- €4.8 million of performance bonds and deposits in respect of the Banque de France CPI investments in Lyons and the Castel transaction in Marseilles;
- guarantee deposits received of €3.4 million (including €2 million from Alstom in respect of the Silky Way development).

The main Other commitments are as follows:

- €34 million of new undrawn borrowings to finance SCI Orianz and SCI Factor E office investments in Bordeaux;
- €57.3 million of undrawn new borrowings (ANF Immobilier refinancing, credit facility dedicated to current investments and overdraft);
- CIC and Marseilles City guarantees of €5.8 million on the CDC borrowing.

Commitments involving SCI CIFA Partners

Pursuant to the signature on June 30, 2015 of a lease finance agreement by SCI CIFA Asset with a view to financing the acquisition of real estate assets in Aubervilliers, SCI CIFA Partners granted the lessor a senior pledge over its shares in SCI CIFA Asset. Under the terms of this pledge, SCI CIFA Partners also undertook not to change the legal form or share capital of SCI CIFA Asset.

Commitments involving SCI CIFA Asset

Pursuant to the signature on June 30, 2015 of a lease finance agreement with a view to financing the acquisition of real estate assets, SCI CIFA Asset granted a pledge over the credit balance on the down-payment account of €31,674,829.00 made available by SCI CIFA Asset to the lessor until payment in full of all amounts payable under the finance lease agreement.

SCI CIFA Asset also granted the lessor a pledge over intangible items resulting from the finance lease, that is, the leasehold and the benefit of the call option, until payment in full of all amounts payable under the finance lease agreement.

In addition, SCI CIFA Asset transferred, as collateral, all current and future receivables on tenants in respect of all amounts due under leases and all current and future receivables held under interest rate hedging agreements in the context of this financing.

Commitments involving Grape Hospitality

Pursuant to the financing of the acquisition of a hotel portfolio, Grape Hospitality granted banks standard warranties for this type of transaction, such as lender's liens and mortgages, pledges over business assets, securities and receivables and assignment of receivables (Dailly) on lease payments.

NOTE 15 LIST OF SUBSIDIARIES AND ASSOCIATES

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Parent company					
Eurazeo	**France**				
Funds and other holding companies					
Carryco Capital 1	France	FC	95.00%	95.00%	
ECIP Agree	Luxembourg	FC	96.15%	0.00%	
ECIP Brésil	Luxembourg	FC	99.53%	0.00%	
ECIP Elis	Luxembourg	FC	95.46%	0.00%	
ECIP Europcar	Luxembourg	FC	68.67%	0.00%	
ECIP Moncler	Luxembourg	FC	100.00%	83.33%	
ECIP SPW	Luxembourg	FC			Liquidation
Eurazeo Real Estate Lux	Luxembourg	FC	100.00%	100.00%	
Eurazeo Real Estate Lux 1	Luxembourg	FC	84.22%	83.86%	Acquisition
Eurazeo Capital II SCS	Luxembourg	FC	100.00%	0.33%	Acquisition
Eurazeo Management Lux	Luxembourg	FC	100.00%	100.00%	
Eurazeo New York	USA	FC	100.00%	100.00%	Acquisition
Eurazeo Partners	Luxembourg	FC	100.00%	0.00%	
Eurazeo Partners B	Luxembourg	FC	100.00%	0.00%	
Eurazeo Services Lux	Luxembourg	FC	100.00%	100.00%	
Legendre Holding 29	France	FC	98.88%	74.17%	
Legendre Holding 35	France	FC	100.00%	75.01%	
Legendre Holding 44	France	FC	100.00%	79.90%	Acquisition
Legendre Holding 47	France	FC	100.00%	74.68%	Acquisition
Legendre Holding Novacap	France	FC	100.00%	75.01%	Acquisition
Sphynx	Luxembourg	FC			Disposal
Sphynx 1	Luxembourg	FC			Merger
Sphynx 2	Luxembourg	FC			Merger
Eurazeo Patrimoine					
Eurazeo Patrimoine	France	FC	100.00%	100.00%	
Carryco Patrimoine	France	FC	95.00%	95.00%	
ANF Immobilier sub-group					
ANF Immobilier	France	FC	55.07%	52.96%	
SARL ANF RÉPUBLIQUE	France	FC		52.96%	
SNC BASSINS A FLOTS	France	FC		52.96%	
SCI SILKY WAY	France	FC		34.42%	
SCI ANF Immobilier Hôtels	France	FC		61.01%	
SCI ANF Immobilier Développement	France	FC		52.96%	
SCI FUTURE WAY	France	FC		26.77%	
SCI NEW WAY	France	FC		26.62%	
SCI Lafayette	France	FC		28.59%	
SCI Stratège	France	FC		28.59%	
SCI ORIANZ	France	FC		34.59%	Acquisition
SCI FACTOR E	France	FC		34.59%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
SCCV 1-3 RUE D'HOZIER	France	EA		23.83%	
SAS JDML	France	EA			Disposal
SAS Financière Broteaux	France	EA		10.59%	
SCCV Hotels A1-A2	France	EA		26.48%	
SCCV Bureau B-C	France	EA		26.48%	
SCCV Mixte D-E	France	EA		26.48%	
CIFA sub-group					
CIFA Partners	France	FC	78.00%	77.61%	
CIFA Assets	France	FC	100.00%	77.62%	
Grape Hospitality sub-group (from June 30, 2016)					
Grape Hospitality France	France	FC	70.36%	59.00%	Acquisition
GHO Nîmes Caissargues	France	FC		59.00%	Acquisition
GHO Thionville Yutz Carolingiens	France	FC		59.00%	Acquisition
GHO Lille Aéroport IB	France	FC		59.00%	Acquisition
GHO Cergy Pierrelaye	France	FC		59.00%	Acquisition
GHO Mâcon Nord IB	France	FC		59.00%	Acquisition
GHO Viry Châtillon	France	FC		59.00%	Acquisition
GHO Annecy Sud Cran	France	FC		59.00%	Acquisition
GHO Annemasse	France	FC		59.00%	Acquisition
GHO Besançon Gare	France	FC		59.00%	Acquisition
GHO Vitry sur Seine A86 Bords de Seine	France	FC		59.00%	Acquisition
GHO Évry Cathédrale	France	FC		59.00%	Acquisition
GHO Metz Nord	France	FC		59.00%	Acquisition
GHO Blois Vallée Maillard	France	FC		59.00%	Acquisition
GHO Bordeaux Aéroport IB	France	FC		59.00%	Acquisition
GHO Boulogne sur Mer Centre Les Ports	France	FC		59.00%	Acquisition
GHO Lille Villeneuve d'Ascq	France	FC		59.00%	Acquisition
GHO Limoges Nord	France	FC		59.00%	Acquisition
GHO Niort Marais Poitevin	France	FC		59.00%	Acquisition
GHO Orléans Nord Saran	France	FC		59.00%	Acquisition
GHO Toulouse Université	France	FC		59.00%	Acquisition
GHO Lille Tourcoing Centre	France	FC		59.00%	Acquisition
GHO Narbonne	France	FC		59.00%	Acquisition
GHO Tours Nord	France	FC		59.00%	Acquisition
GHO Le Mans Centre	France	FC		59.00%	Acquisition
GHO Lourdes	France	FC		59.00%	Acquisition
GHO Bordeaux Sud Pessac	France	FC		59.00%	Acquisition
GHO Marseille Bonneveine	France	FC		59.00%	Acquisition
GHO Grenoble Université	France	FC		59.00%	Acquisition
GHO Villepinte Parc Expos	France	FC		59.00%	Acquisition
GHO Lille Roubaix	France	FC		59.00%	Acquisition
GHO Orléans Centre Foch	France	FC		59.00%	Acquisition
GHO Reims Centre Gare	France	FC		59.00%	Acquisition
GHO Tours Centre	France	FC		59.00%	Acquisition
GHO Thionville Yutz Vieux Bourg	France	FC		59.00%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
GHO Besançon La City Préfecture	France	FC		59.00%	Acquisition
GHO Le Havre Bassin du Commerce	France	FC		59.00%	Acquisition
GHO Annemasse Porte de Genève	France	FC		59.00%	Acquisition
GHO Reims Parc des Expositions	France	FC		59.00%	Acquisition
GHO Le Coudray	France	FC		59.00%	Acquisition
GHO Lille Aéroport	France	FC		59.00%	Acquisition
GHO Sophia Antipolis	France	FC		59.00%	Acquisition
GHO Roissy Aéroport	France	FC		59.00%	Acquisition
GHO Fontainebleau Royal	France	FC		59.00%	Acquisition
GHO Grenoble Président	France	FC		59.00%	Acquisition
GHO Créteil Le Lac	France	FC		59.00%	Acquisition
GHO Maffliers	France	FC		59.00%	Acquisition
GHO Évry	France	FC		59.00%	Acquisition
GHO Bordeaux Aéroport	France	FC		59.00%	Acquisition
GHO Dijon Sud	France	FC		59.00%	Acquisition
GHO Orléans Sud La Source	France	FC		59.00%	Acquisition
GHO Grenoble Nord Voreppe	France	FC		59.00%	Acquisition
GHO Saint Avold	France	FC		59.00%	Acquisition
GHO Lyon Bron	France	FC		59.00%	Acquisition
GHO Mâcon Nord	France	FC		59.00%	Acquisition
GHO Le Mans	France	FC		59.00%	Acquisition
GHO Metz Hauconcourt	France	FC		59.00%	Acquisition
GHO Mulhouse Sausheim	France	FC		59.00%	Acquisition
GHO Valenciennes Aérodrome	France	FC		59.00%	Acquisition
GHO Toulouse Aéroport	France	FC		59.00%	Acquisition
Société d'investissement et de Développement (SIDH)	France	FC		59.00%	Acquisition
Société Hôtelière Sophia Antipolis (SHSA)	France	FC		59.00%	Acquisition
OPPCI Grape Hotel Properties	France	FC		59.00%	Acquisition
GHP Nîmes Caissargues	France	FC		59.00%	Acquisition
GHP Thionville Yutz Carolingiens	France	FC		59.00%	Acquisition
GHP Lille Aéroport IB	France	FC		59.00%	Acquisition
GHP Cergy Pierrelaye	France	FC		59.00%	Acquisition
GHP Mâcon Nord IB	France	FC		59.00%	Acquisition
GHP Viry Châtillon	France	FC		59.00%	Acquisition
GHP Annecy Sud Cran	France	FC		59.00%	Acquisition
GHP Annemasse	France	FC		59.00%	Acquisition
GHP Besançon Gare	France	FC		59.00%	Acquisition
GHP Vitry sur Seine A86 Bords de Seine	France	FC		59.00%	Acquisition
GHP Évry Cathédrale	France	FC		59.00%	Acquisition
GHP Metz Nord	France	FC		59.00%	Acquisition
GHP Blois Vallée Maillard	France	FC		59.00%	Acquisition
GHP Bordeaux Aéroport IB	France	FC		59.00%	Acquisition
GHP Boulogne sur Mer Centre Les Ports	France	FC		59.00%	Acquisition
GHP Lille Villeneuve d'Ascq	France	FC		59.00%	Acquisition
GHP Limoges Nord	France	FC		59.00%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
GHP Niort Marais Poitevin	France	FC		59.00%	Acquisition
GHP Orléans Nord Saran	France	FC		59.00%	Acquisition
GHP Toulouse Université	France	FC		59.00%	Acquisition
GHP Lille Tourcoing Centre	France	FC		59.00%	Acquisition
GHP Narbonne	France	FC		59.00%	Acquisition
GHP Tours Nord	France	FC		59.00%	Acquisition
GHP Le Mans Centre	France	FC		59.00%	Acquisition
GHP Lourdes	France	FC		59.00%	Acquisition
GHP Bordeaux Sud Pessac	France	FC		59.00%	Acquisition
GHP Marseille Bonneveine	France	FC		59.00%	Acquisition
GHP Grenobles Université	France	FC		59.00%	Acquisition
GHP Villepinte Parc Expos	France	FC		59.00%	Acquisition
GHP Lille Roubaix	France	FC		59.00%	Acquisition
GHP Orléans Centre Foch	France	FC		59.00%	Acquisition
GHP Reims Centre Gare	France	FC		59.00%	Acquisition
GHP Tours Centre	France	FC		59.00%	Acquisition
GHP Thionville Yutz Vieux Bourg	France	FC		59.00%	Acquisition
GHP Besançon La City Préfecture	France	FC		59.00%	Acquisition
GHP Le Havre Bassin du Commerce	France	FC		59.00%	Acquisition
GHP Annemasse Porte de Genève	France	FC		59.00%	Acquisition
GHP Reims Parc des Expositions	France	FC		59.00%	Acquisition
GHP Le Coudray	France	FC		59.00%	Acquisition
GHP Lille Aéroport	France	FC		59.00%	Acquisition
GHP Sophia Antipolis	France	FC		59.00%	Acquisition
GHP Roissy Aéroport	France	FC		59.00%	Acquisition
GHP Fontainebleau Royal	France	FC		59.00%	Acquisition
GHP Grenoble Président	France	FC		59.00%	Acquisition
GHP Créteil Le Lac	France	FC		59.00%	Acquisition
GHP Maffliers	France	FC		59.00%	Acquisition
GHP Évry	France	FC		59.00%	Acquisition
GHP Bordeaux Aéroport	France	FC		59.00%	Acquisition
GHP Dijon Sud	France	FC		59.00%	Acquisition
GHP Orléans Sud La Source	France	FC		59.00%	Acquisition
GHP Grenoble Nord Voreppe	France	FC		59.00%	Acquisition
GHP Saint Avold	France	FC		59.00%	Acquisition
GHP Lyon Bron	France	FC		59.00%	Acquisition
GHP Mâcon Nord	France	FC		59.00%	Acquisition
GHP Le Mans	France	FC		59.00%	Acquisition
GHP Metz Hauconcourt	France	FC		59.00%	Acquisition
GHP Mulhouse Sausheim	France	FC		59.00%	Acquisition
GHP Valenciennes Aérodrome	France	FC		59.00%	Acquisition
GHP Toulouse Aéroport	France	FC		59.00%	Acquisition
GHP Albertville	France	FC		59.00%	Acquisition
GHP Antibes Sophia Antipolis	France	FC		59.00%	Acquisition
Grape Hospitality Holding (GHH) S.à r.l.	Luxembourg	FC		59.00%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Grape Hospitality International (GHI) S.à r.l. ("GHI")	Luxembourg	FC		59.00%	Acquisition
Grape Hospitality Lux Austria S.à r.l.	Luxembourg	FC		59.00%	Acquisition
Invesco Vienna Hotel Investment S.à r.l.	Luxembourg	FC		59.00%	Acquisition
Invesco Hanover Hotel Investment S.à r.l.	Luxembourg	FC		59.00%	Acquisition
Invesco The Hague Hotel Investment S.à r.l.	Luxembourg	FC		59.00%	Acquisition
Grape Hospitality OpCo GmbH	Austria	FC		59.00%	Acquisition
Grape Hospitality Belgian OpCo	Belgium	FC		59.00%	Acquisition
Grape Hospitality Belgian PropCo	Belgium	FC		59.00%	Acquisition
Grape Hospitality Anvers PropCo	Belgium	FC		59.00%	Acquisition
Grape Hospitality German OpCo GmbH	Germany	FC		55.99%	Acquisition
Grape Hospitality Spanish HoldCo, S.L.	Spain	FC		59.00%	Acquisition
Grape Hospitality Spanish OpCo, S.L.	Spain	FC		59.00%	Acquisition
Grape Hospitality Spanish PropCo, S.L.	Spain	FC		59.00%	Acquisition
Hostelera Valenciana 98	Spain	FC		59.00%	Acquisition
Grape Hospitality Italian OpCo S.R.L.	Italy	FC		59.00%	Acquisition
Grape Hospitality Italian PropCo S.R.L.	Italy	FC		59.00%	Acquisition
Invesco Rome Corso Hotel Investment S.R.L.	Italy	FC		59.00%	Acquisition
Invesco Rome Rustica Hotel Investment S.R.L.	Italy	FC		59.00%	Acquisition
Grape Hospitality Dutch OpCo B.V.	Netherlands	FC		59.00%	Acquisition
Opcogrape Hospitality, Portuguese Unipessoal Lda	Portugal	FC		59.00%	Acquisition
Propcogrape Hospitality, Portuguese Unipessoal Lda	Portugal	FC		59.00%	Acquisition
Eurazeo capital					
AccorHotels sub-group					
Legendre Holding 19	France	FC	100.00%	86.25%	
AccorHotels – consolidated group *(until July 1, 2016)*	France	EA			Disposal
Asmodee sub-group					
Asmodee Holding	France	FC	79.74%	59.81%	
Asmodee group	France	FC		59.81%	
Asmodee France	France	FC		59.81%	Acquisition
Asmodee Editions LLC	USA	FC		59.81%	
Asmodee Canada Inc.	Canada	FC		59.81%	
Asmodee Gmbh	Germany	FC		59.81%	
Asmodee Iberica	Spain	FC		59.81%	
Asmodee Benelux	Belgium	FC		59.81%	
Esdevium Games	UK	FC		59.81%	
Kanaï kids	France	FC			Merger
JD Éditions	France	FC		59.81%	
Asmodoc SARL	France	FC			Disposal
Asmodee Trading	China	FC		59.81%	
DoW Inc.	USA	FC			Merger
DoW Games	USA	FC			Merger
DoW SARL	France	FC		59.81%	
Asmodee North America Inc.	USA	FC		59.81%	
Fantasy Flight Games Event Center LLC	USA	FC		59.81%	
Asterion Press Srl	Italy	FC		59.81%	

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Pearl Games SPRL	Belgium	FC		59.81%	
Catan Studios Inc.	USA	FC		59.81%	
Enigma Danmark A/S	Denmark	FC		59.81%	Acquisition
Enigma Benelux BV	Netherlands	FC		59.81%	Acquisition
Enigma Norge AS	Norway	FC		59.81%	Acquisition
Enigma Finland OY	Finland	FC		59.81%	Acquisition
Enigma Sverige AB	Sweden	FC		59.81%	Acquisition
Playoteket AB	Sweden	FC		59.81%	Acquisition
Edge Publishing	Spain	FC		59.81%	Acquisition
Ubik	France	FC		59.81%	Acquisition
Asmodee Digital	France	FC		59.81%	Acquisition
Carambar & Co sub-group					
Carambar Poulain Kréma	France	FC	94.59%	94.59%	Acquisition
Fintrax sub-group (from January 1, 2016)					
Franklin Ireland Topco Limited	Ireland	FC	90.70%	72.47%	Acquisition
Franklin Ireland Bidco Limited	Ireland	FC		72.47%	Acquisition
Fintrax Group Holdings Limited	Ireland	FC		72.47%	Acquisition
Fintrax Teoranta T/A Fintrax Payment Systems	Ireland	FC		72.47%	Acquisition
Fintrax Treasury Services Ltd	Ireland	FC		72.47%	Acquisition
VR (Spidéal) Teoranta	Ireland	FC		72.47%	Acquisition
Premier Tax Free Ltd	Ireland	FC		72.47%	Acquisition
Electronic Tax Free Shopping Ltd	Ireland	FC		72.47%	Acquisition
Tax Free Worldwide Holdings 2 Ltd	Ireland	FC		72.47%	Acquisition
Tax Free Worldwide Ireland Ltd	Ireland	FC		72.47%	Acquisition
Moneyback Limited	Ireland	FC		72.47%	Acquisition
Connacht Holdco Ltd	Ireland	FC		72.47%	Acquisition
Connacht SPV 4 Ltd	Ireland	FC		72.47%	Acquisition
Connacht SPV 5 Ltd	Ireland	FC		72.47%	Acquisition
Franklin UK Midco Limited	UK	FC		72.47%	Acquisition
Franklin UK Bidco Limited	UK	FC		72.47%	Acquisition
Connacht SPV 1 Ltd	UK	FC		72.47%	Acquisition
Connacht SPV 2 Ltd	UK	FC		72.47%	Acquisition
Connacht SPV 3 Ltd	UK	FC		72.47%	Acquisition
Connacht SPV 6 Ltd	UK	FC		72.47%	Acquisition
Premier Tax Free (UK) Limited	UK	FC		72.47%	Acquisition
Fintrax Payments Systems Ltd	UK	FC		72.47%	Acquisition
Fintrax International Payment Services UK Limited	UK	FC		72.47%	Acquisition
Premier Tax Free & Fintrax Payments (Asia) Pte. Ltd	Singapore	FC		72.47%	Acquisition
Premier Tax Free BV	Netherlands	FC		72.47%	Acquisition
Fintrax Payment Systems BV	Netherlands	FC		72.47%	Acquisition
Premier Tax Free Luxembourg Sarl	Luxembourg	FC		72.47%	Acquisition
Cashback Belgium – Premier Tax Free SA	Belgium	FC		72.47%	Acquisition
Premier Tax Free – Serviços de Restituição de Impostos, SA	Portugal	FC		72.47%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

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Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Fintrax – Informatizacao De Sistemas De Pagamentos, Sociedale Unipessoal LDA	Portugal	FC		72.47%	Acquisition
Premier Tax Free SA	Spain	FC		72.47%	Acquisition
Fintrax Espana SL	Spain	FC		72.47%	Acquisition
Premier Tax Free SAS	France	FC		72.47%	Acquisition
Fintrax SAS	France	FC		72.47%	Acquisition
Legendre Holdings 45 SAS	France	FC		72.47%	Acquisition
Premier Tax Free Greece Single Partner Ltd	Greece	FC		72.47%	Acquisition
Tax Free Worldwide-Cyprus Ltd	Cyprus	FC		72.47%	Acquisition
Premier Tax Free GmbH	Austria	FC		72.47%	Acquisition
Fintrax Payment Systems GmbH	Austria	FC		72.47%	Acquisition
Tax Free Worldwide-Austria GmbH	Austria	FC		72.47%	Acquisition
Premier Tax Free GmbH	Austria	FC		72.47%	Acquisition
Fintrax Payment Systems GmbH	Austria	FC		72.47%	Acquisition
Premier Tax Free Italy SRL	Italy	FC		72.47%	Acquisition
Fintrax Italy SRL	Italy	FC		72.47%	Acquisition
Premier Tax Free AG	Switzerland	FC		72.47%	Acquisition
Tax Free Worldwide Switzerland GmbH	Switzerland	FC		72.47%	Acquisition
Premier Tax Free SRO	Czech Republic	FC		72.47%	Acquisition
Premier Tax Free Korlátolt Felelsség Társaság	Hungary	FC		72.47%	Acquisition
Premier Tax Free AB	Sweden	FC		72.47%	Acquisition
Tax Free Worldwide Sweden AB	Sweden	FC		72.47%	Acquisition
Tax Free Worldwide-Iceland ehf.	Islande	FC		72.47%	Acquisition
Fintrax Payment Systems A/S	Denmark	FC		72.47%	Acquisition
Tax Free Worldwide-Denmark ApS	Denmark	FC		72.47%	Acquisition
Tax Free Worldwide-Norway AS	Norway	FC		72.47%	Acquisition
Tax Free Worldwide-Faroe Islands Sp/f	Faroe Islands	FC		72.47%	Acquisition
ERGN Finland Tax-Free Oy	Finland	FC		72.47%	Acquisition
E Tax Freee Finland	Finland	FC		72.47%	Acquisition
Fintrax Americas	USA	FC		72.47%	Acquisition
Fintrax International Mexico – S.DE RL.DE.C.V.	Mexico	FC		72.47%	Acquisition
Premier Tax Free S.A. De C.V.	Mexico	FC		72.47%	Acquisition
VR (Poland)	Poland	FC		72.47%	Acquisition
VR (France)	France	FC		72.47%	Acquisition
PTF Jordan	Jordan	FC		72.47%	Acquisition
TF Polska	Poland	FC		72.47%	Acquisition
PTF Morocco	Morocco	FC		48.31%	Acquisition
Novacap sub-group (from June 30, 2016)					
Novacap Group Holding SA	France	FC	65.80%	49.35%	Acquisition
Novacid SAS	France	FC		49.35%	Acquisition
Novapex SAS	France	FC		49.35%	Acquisition
Novabion SAS	France	FC		49.35%	Acquisition
Novacarb SAS	France	FC		49.35%	Acquisition
Novacogé SAS	France	FC		49.35%	Acquisition
Novabay Pte Ltd	Singapore	FC		49.35%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Novacyl SAS	France	FC		49.35%	Acquisition
CU Holdco	Germany	FC		49.35%	Acquisition
CU Chemie Uetikon	Germany	FC		49.35%	Acquisition
Taixing Yangzi Pharma Chem. Ltd	China	FC		38.28%	Acquisition
Jiangsu Puyuan Chemical Co. Ltd	China	FC		25.17%	Acquisition
Novacyl (Wuxi) Pharma. Ltd	China	FC		49.35%	Acquisition
Novacyl (Thaïland) ltd	Thaïland	FC		49.35%	Acquisition
Bingz Holding	Hong Kong	FC		25.17%	Acquisition
Novacyl Asia Pacific ltd	Hong Kong	FC		49.35%	Acquisition
Novacyl Inc.	USA	FC		49.35%	Acquisition
Uetikon Inc.	USA	FC		49.35%	Acquisition
Novacap sas	France	FC		49.35%	Acquisition
Novacap Group Bidco sas	France	FC		49.35%	Acquisition
Novacap International sas	France	FC		49.35%	Acquisition
Novacap Asia Pacific	Hong Kong	FC		49.35%	Acquisition
Thaï Bangpoo Services ltd	Thaïland	EA		12.09%	Acquisition
Novawood SAS	France	EA		24.18%	Acquisition
Feracid SAS	France	EA		24.68%	Acquisition
Osiris (GIE)	France	EA		15.20%	Acquisition
Sommet Education sub-group (from July 1, 2016)					
Graduate SA	Luxembourg	FC	100.00%	75.01%	Acquisition
Gesthôtel Sàrl	Switzerland	FC		75.01%	Acquisition
Glion Management Services Sàrl	Switzerland	FC		75.01%	Acquisition
Haute école spécialisée Les Roches-Gruyère SA	Switzerland	FC		75.01%	Acquisition
Les Roches Jin Jiang Intern.Hotel	China	EA		37.50%	Acquisition
G.I.H.E. Sàrl	Switzerland	FC		75.01%	Acquisition
Glion UK Limited	UK	FC		75.01%	Acquisition
Les Roches Chicago	USA	FC		75.01%	Acquisition
Escuela Superior de alta gestion de hotel, S.L.U.	Spain	FC		75.01%	Acquisition
Laureate Europe Online B.V.	Netherlands	FC		75.01%	Acquisition
Laureate EC France	France	FC		75.01%	Acquisition
Europcar sub-group					
Europcar Groupe S.A.	France	EA	48.73%	42.40%	
Elis sub-group					
Legendre Holding 27	France	FC	100.00%	83.39%	
Elis	France	EA	23.32%	14.23%	
Desigual sub-group					
Abasic SL	Spain	EA	10.00%	7.42%	
Foncia sub-group (until July 1, 2016)					
RES 1 – consolidated group	Luxembourg	EA			Disposal
Les Petits Chaperons Rouges sub-group (from April 1, 2016)					
Les Petits Chaperons Rouges	France	EA	41.12%	30.71%	Acquisition
Moncler sub-group (until July 1, 2016)					
Moncler	Italy	EA			Disposal

FC = Full consolidation.
EA = Equity accounted.

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Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Neovia sub-group					
Neovia (formerly Invivo NSA)	France	EA	17.29%	12.97%	
Eurazeo PME					
Eurazeo PME Capital SA	France	FC	100.00%	100.00%	
FPCI OFI PEC 1	France	FC	100.00%	84.70%	
FPCI OFI PEC 2	France	FC	100.00%	84.70%	
FPCI Eurazeo PME IIA	France	FC	100.00%	100.00%	
C.Participations	France	FC	100.00%	52.38%	
Dessange International					
Dessange Participations	France	FC	76.34%	64.66%	
Dessange International	France	FC		64.66%	
CA FRANCE	France	FC		64.66%	
DBA	France	FC		64.66%	
DB FRANCHISE	Belgium	FC		64.66%	
DF EXPORT	France	FC		64.66%	
DF FRANCE	France	FC		64.66%	
JD SALONS	France	FC		64.66%	
F.E.I.	Italy	FC		64.66%	
JD ELYSEES	France	FC		64.66%	
CA SALONS	France	FC		64.66%	
SOLAITA	France	FC		64.66%	
Dessange USA (formerly DJD USA)	USA	FC		64.66%	
Dessange Salon (formerly EJD USA)	USA	FC		64.66%	
Dessange Franchising (formerly New FBS USA)	USA	FC		64.66%	
Dessange Group North America (formerly DI Inc.)	USA	FC		64.66%	
FANTASTIC SAMS INTERNATIONAL CORP	USA	FC		64.66%	
FANTASTIC SAMS FRANCHISE CORP	USA	FC		64.66%	
FANTASTIC SAMS RETAIL CORP	USA	FC		64.66%	
CAMILLE ALBANE USA INC	USA	FC		64.66%	
C.Alb SALONS INC	USA	FC		64.66%	
C.Alb FRANCHISING INC	USA	FC		64.66%	
FINEODIS	France	FC		39.94%	Acquisition
COIFFIDIS	France	FC		39.94%	Acquisition
NEODIS	France	FC			Merger
ACADEMY BEDFERT	France	FC		39.94%	Acquisition
Léon de Bruxelles					
Léon Invest 1	France	FC	60.49%	51.24%	
Léon Invest 2	France	FC		51.24%	
Léon de Bruxelles SA	France	FC		51.24%	
Maison de la Bastille SAS	France	FC		51.19%	
Société de restauration Montparnasse SAS	France	FC		51.20%	
Société de restauration et d'alimentation SAS	France	FC		51.23%	
SE2C SAS	France	FC		51.24%	
Resto Les Halles SNC	France	FC		51.24%	
Resto Italiens SNC	France	FC		51.24%	

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Resto Saint-Germain SNC	France	FC		51.24%	
Resto Bezons SNC	France	FC		51.23%	
Resto Montlhéry SNC	France	FC		51.23%	
Resto Pierrefitte SNC	France	FC		51.23%	
Resto Rosny SNC	France	FC		51.24%	
LDB développement international SARL	France	FC		51.24%	
Resto Belle Épine SNC	France	FC		51.23%	
Resto Bonneuil SNC	France	FC		51.23%	
Resto Eragny SNC	France	FC		51.23%	
Société Parisienne de Restauration SAS	France	FC		51.19%	
232 SCI	France	FC		51.24%	
Resto Trappes SNC	France	FC		51.23%	
Resto Tours SNC	France	FC		51.23%	
Resto Villiers SNC	France	FC		51.23%	
Resto Convention SNC	France	FC		51.23%	
Resto Vélizy SNC	France	FC		51.23%	
Resto L'Isle Adam SNC	France	FC		51.23%	
Resto Gobelins SNC	France	FC		51.23%	
Resto Melun SNC	France	FC		51.23%	
Resto Vandoeuvre SNC	France	FC		51.23%	
Resto Aulnay SNC	France	FC		51.24%	
Resto Caen SNC	France	FC		51.23%	
Resto Bobigny SNC	France	FC		51.23%	
Resto Noyelles Godault SNC	France	FC		51.23%	
Resto Viry SNC	France	FC		51.23%	
Resto Mareuil SNC	France	FC		51.23%	
Resto Montpellier SNC	France	FC		51.23%	
Resto Wasquehal SNC	France	FC		51.23%	
Resto Pessac SNC	France	FC		51.23%	
Resto Dunkerque SNC	France	FC		51.23%	
Resto Clermont-Ferrand SNC	France	FC		51.23%	
Société des restaurants GARI'S SA	France	FC		51.22%	
École Léon SAS	France	FC		51.24%	
Resto Essey Les Nancy SNC	France	FC		51.24%	
SNC Resto Creil	France	FC		51.24%	
SNC Resto Beauvais	France	FC		51.24%	
SNC Resto Le Mans	France	FC		51.24%	
SNC Resto Chartres	France	FC		51.24%	
SNC Resto Valenciennes	France	FC		51.24%	
SAS Chartres Barjouville DA	France	FC		50.21%	
SAS Amiens Glisy	France	FC		51.24%	
SAS Lyons Mezieu	France	FC		51.24%	
SAS Resto BESANCON	France	FC		51.24%	
SAS Resto METZ	France	FC		51.24%	
SAS Resto LIMOGES DA	France	FC		48.93%	

FC = Full consolidation.
EA = Equity accounted.

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Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
SAS Resto BOURGES DA	France	FC		48.93%	
SAS Léon IMMO	France	FC		51.24%	
SAS Resto DEV Léon 6 – Arras	France	FC		51.24%	
SAS Resto DEV Léon 7	France	FC		51.24%	
SAS DEV Léon 2011	France	FC		51.24%	
SAS Resto LEZENNES	France	FC		51.24%	
SAS ARRAS DA	France	FC		48.93%	
SAS Léon IMMOBAC	France	FC		51.24%	
SAS Resto Nantes	France	FC		51.24%	
SAS Resto DEV Léon 13	France	FC		51.24%	
SAS DEV LÉON DE B	France	FC		51.24%	
SAS DEV LÉON14	France	FC		51.24%	
SAS Perpignan DA	France	FC		48.93%	
SAS RESTO DEV LÉON 16	France	FC		51.24%	
Péters Surgical					
Groupe Péters Surgical	France	FC	86.84%	60.79%	
Péters Surgical	France	FC		60.79%	
Péters Surgical International	Thaïland	FC		60.79%	
VITALITEC INTERNATIONAL	France	FC			Merger
VITALITEC INC	USA	FC		60.79%	
VITALITEC BELUX	Luxembourg	FC		60.79%	
Stericat	India	FC		47.11%	
Péters Surgical Polska	Poland	FC		60.79%	
Sutural	Algeria	EA		28.57%	
Vignal Lighting Group					
Vignal Lighting Group	France	FC	77.08%	53.96%	
Vignal Systems SAS	France	FC		53.96%	
ABL Lights (Dalian) Co Inc. china	China	FC		53.96%	
ABL Lights France SAS	France	FC		53.96%	
ABL Lights Inc. (USA)	USA	FC		53.96%	
Vignal Immo SAS	France	FC		53.96%	
Colisée					
Colisée International	France	FC	64.06%	33.55%	
87 avenue de Magudas	France	FC		33.55%	
AKESIS	France	FC		33.55%	
ARTEMIS	France	FC		33.55%	
BIOVAL	France	FC		33.22%	
CENTRE DE RÉÉDUCATION AVICÉENNE	France	FC		33.55%	
CENTRE DE DIÉTÉTIQUE MÉDICAL POST OPÉRATOIRE SAINT LAURENT	France	FC		33.55%	
CHRISTINA	France	FC		33.55%	
CLINIQUE DE BEAULIEU	France	FC		33.55%	
Colisée Care	France	FC		33.55%	
Colisée Partners	France	FC		33.55%	
Colisée Patrimoine	France	FC		33.55%	

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EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Colisée Patrimoine Group	France	FC		33.55%	
Colisée Santé	France	FC		33.55%	
CORONIS	France	FC		33.55%	
CYBELE CONCEPT	France	FC		33.53%	
CYBELE PATRIMOINE 2	France	FC		33.55%	
CYBELE SANTE	France	FC		33.55%	
DEMEURE DE QUINSAC	France	FC		33.55%	
DOMAINE DES CHENES ROUGES	France	FC		33.55%	
ELUA	France	FC		33.55%	
EPIDAURE	France	FC		33.55%	
ÉVRY JARDINS DE CYBÈLE	France	FC		31.88%	
Financière de Colisée	France	FC		33.55%	
FINANCIÈRE SANTE	France	FC		33.55%	
FLOREA	France	EA			Disposal
FLOREA ANTILLES	France	EA		11.74%	
FLOREA SAINT ESPRIT	France	EA			Disposal
FONCIERE CPG	France	FC		33.55%	
IASO	France	FC		33.55%	
ISENIOR	Italy	FC		25.17%	
LA FRANQUI	France	FC		33.55%	
LA PIMPIE	France	FC		33.55%	
LA PINEDE	France	FC		33.55%	
LA SIGALIERE	France	FC		33.55%	
LANDECOTTE	France	FC		33.55%	
LE BEL AIR	France	FC		33.55%	
LE CLOS DU LORD	France	FC		33.55%	
Le Clos Saint Amand	France	FC		33.55%	
LE TEMPS QUI PASSE	France	FC		33.55%	
LES BOIS DE LANDECOTTE	France	FC		33.55%	
LES CLOS DE SAINT MARTIN D'ABLOIS	France	FC		33.55%	
LES JARDINS DE LANDECOTTE	France	FC		33.55%	
LES JARDINS DE VALLDOREIX	Spain	FC		33.55%	
LES SCEVOLLES	France	FC		33.51%	
Lizy EHPAD	France	FC		33.55%	
M.E.P	France	FC		33.55%	
MAISON BASQUE	France	FC		33.55%	
MORGNY LA POMMERAYE	France	FC		33.55%	
ONELA	France	FC		33.55%	
PATRIMOINE SANTE	France	FC		33.55%	
PLVS	France	FC		33.55%	
PRO SANTE LIZY	France	FC		31.88%	
PRO SANTE MARGNY	France	FC		33.55%	
PRO SANTE SERVICE	France	FC		33.55%	
RÉSIDENCE ACCEUIL LE CHÂTEAU	France	FC		33.55%	
RÉSIDENCE CHÂTEAU DU BOIS	France	FC		33.55%	

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Résidence des Roses de Saint Caprais	France	FC		33.55%	
RÉSIDENCE DU MANOIR	France	FC		33.55%	
RÉSIDENCE HERRI BURUA	France	FC		33.55%	
RÉSIDENCE HERRI BURUA	France	FC		33.55%	
RÉSIDENCE LA BAIE D'AUTHIE	France	FC		33.55%	
RÉSIDENCE LA CAVALERIE	France	FC		33.55%	
RÉSIDENCE LA CHAUMIERE DE LA GRANDE TURELLE	France	FC		33.55%	
RÉSIDENCE LA FONTAINE	France	FC		33.55%	
RÉSIDENCE LA MOURGUE DES ALPILLES	France	FC		33.55%	
RÉSIDENCE LA PIERRE BLEUE	France	FC		33.55%	
RÉSIDENCE LE BOURG NOUVEAU	France	FC		33.55%	
RÉSIDENCE LE CHÂTEAU DE COSNAC	France	FC		33.55%	
RÉSIDENCE LE MESNIL	France	FC		33.55%	
RÉSIDENCE LE PARC DU CHÂTEAU	France	FC		33.55%	
RÉSIDENCE LE PAYS D'AUNIS	France	FC		33.55%	
RÉSIDENCE LE SQUARE D'ALIENOR	France	FC		33.55%	
RÉSIDENCE LE VAL D'OSNE	France	FC		33.55%	
RÉSIDENCE LES BAUX DU ROY	France	FC		26.84%	
RÉSIDENCE LES CHARMES	France	FC		33.55%	
RÉSIDENCE LES CLOS DE PLANESTEL	France	FC		33.55%	
RÉSIDENCE LES COTEAUX	France	FC		33.55%	
RÉSIDENCE LES DUCS DE BOURGOGNE	France	FC		33.55%	
RÉSIDENCE LES IRIS	France	FC		33.55%	
RÉSIDENCE LES JARDINS DE CAUDERAN	France	FC		33.55%	
RÉSIDENCE LES JARDINS D'ELEONORE	France	FC		33.55%	
RÉSIDENCE LES ORMES	France	FC		33.55%	
RÉSIDENCE LES PATUEREAUX	France	FC		33.55%	
RÉSIDENCE LES VIGNES	France	FC		33.55%	
RÉSIDENCE PASTEUR	France	FC		33.55%	
RÉSIDENCE SAINT MARTIN	France	FC		33.55%	
RÉSIDENCE VAILLANT COUTURIER	France	FC		33.55%	
RÉSIDENCE VERMEIL	France	FC		33.55%	
ROCHE BRUNE	France	FC		33.55%	
SAINT ESPRIT PROMOTION	France	FC			Disposal
S MART - RÉSIDENCE ARC EN CIEL	France	FC		33.55%	
URTABURU	France	FC		33.55%	
VALLÉE MÉDICALE	France	FC		33.55%	
VILLA PRIMULE GESTIONI	France	FC		25.17%	
LE CLOS SAINT JEAN	France	FC		33.55%	Acquisition
LES JARDINS DU LAC D'IZON	France	FC		33.55%	Acquisition
LE DOMAINE DU LAC D'IZON	France	FC		33.55%	Acquisition
LE CLOS BUGIA	France	FC		33.55%	Acquisition
Colisée Domicile	France	FC		33.55%	Acquisition
NOUVEL HORIZON SERVICES	France	FC		33.55%	Acquisition
NOUVEL HORIZON SERVICES PACA	France	FC		33.55%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
ITACA	France	FC		23.91%	Acquisition
PLANCIA	France	FC		25.17%	Acquisition
RANDA	France	FC		12.58%	Acquisition
Financière Montalivet	France	FC		33.55%	
Maison des Parents	France	FC		33.55%	
Résidence Bellevue	France	FC		33.55%	
Résidence Le Clos	France	FC		33.55%	
Résidence de l'Ermitage	France	FC		33.55%	
Résidence Diane	France	FC		33.55%	
Clinique A.Paré	France	FC		33.55%	
SCI A.Paré	France	FC		33.55%	
SCI de la Rosée IV	France	FC		33.55%	
Flash Europe					
FINANCIÈRE FLASH SAS	France	FC	42.87%	30.01%	Acquisition
TOP FEI	France	FC		30.01%	Acquisition
FEI STAFF	France	FC		30.01%	Acquisition
FINANCIÈRE FEI	France	FC		30.01%	Acquisition
TAXICOLIS	France	FC		30.01%	Acquisition
Flash Europe SA	France	FC		30.01%	Acquisition
Flash Europe International SA	Luxembourg	FC		30.01%	Acquisition
THE EASY COMPANIES	Luxembourg	FC		30.01%	Acquisition
FEI ALGORITHMIC	Luxembourg	FC		30.01%	Acquisition
Flash Europe Slovakia	Slovakia	FC		30.01%	Acquisition
Flash Europe Polska	Poland	FC		30.01%	Acquisition
FE ALLEMAGNE GMBH	Germany	FC		30.01%	Acquisition
FLASH ROMANIA	Romania	FC		30.01%	Acquisition
Flash Europe Hungary KFT	Hungary	FC		30.01%	Acquisition
FEI Portugal SOC UNIPESSOAL LDA	Portugal	FC		30.01%	Acquisition
Flash Europe Espana Servicios de Logistica SL	Spain	FC		30.01%	Acquisition
FLASH V-ONE Limited	UK	FC		30.01%	Acquisition
Flash Europe Turkey Sarl	Turkey	FC		30.01%	Acquisition
FLASH MAROC Sarl	Morocco	FC		30.01%	Acquisition
FLASH RUSSIA Sarl	Russia	FC		30.01%	Acquisition
FS HOLDING Belgie Bvba	Belgium	FC		30.01%	Acquisition
ROBERTS BEHEER BELGIE BVBA	Belgium	FC		30.01%	Acquisition
ROBERTS HOLDING BV	Netherlands	FC		30.01%	Acquisition
ROBERTS EUROPE BV	Netherlands	FC		30.01%	Acquisition
ROBERTS OPÉRATIONS BV	Netherlands	FC		30.01%	Acquisition
ROBERTS AIR ROAD BV	Netherlands	FC		30.01%	Acquisition
ROBERTS EUROPE NV	Belgium	FC		30.01%	Acquisition
ROBERTS EUROPE GMBH	Germany	FC		30.01%	Acquisition
ROBERTS EUROPE SRL	Italy	FC		30.01%	Acquisition
ROBERTS EUROPE Sp z.o.o	Poland	FC		30.01%	Acquisition
ROBERTS SPECIAL SERVICES BV	Netherlands	FC		30.01%	Acquisition

FC = Full consolidation.
EA = Equity accounted.

Company	Country	Consolidation method	% control	% interest	Change in consolidation scope
Financière Orolia					
Financière Orolia	France	FC	51.92%	36.34%	Acquisition
Orolia SA	France	FC		36.34%	Acquisition
Orolia Inc.	USA	FC		36.34%	Acquisition
Spectracom SAS	France	FC		36.34%	Acquisition
Orolia do Brazil	Brazil	FC		36.34%	Acquisition
Orolia Global Services Ltd	UK	FC		36.34%	Acquisition
Orola Global Services Ltd Russia	Russia	FC		36.34%	Acquisition
Orolia Switzerland	Switzerland	FC		36.34%	Acquisition
T4S	Switzerland	FC		36.34%	Acquisition
Orolia SAS	France	FC		18.17%	Acquisition
Orolia LTD	UK	FC		36.34%	Acquisition
MCMURDO INC	USA	FC		36.34%	Acquisition
OCEANTRACS	Canada	FC		36.34%	Acquisition
MKD					
MK Direct Holding	France	FC	54.28%	38.00%	Acquisition
MK Direct2	France	FC		38.00%	Acquisition
SAGET LINVOSGES MANAGEMENT	France	FC		38.00%	Acquisition
FRANÇOISE SAGET	France	FC		30.01%	Acquisition
LINVOSGES	France	FC		30.00%	Acquisition
Eurazeo Croissance					
Fonroche sub-group					
Legendre Holding 25	France	FC	100.00%	100.00%	
Fonroche Energie SAS – consolidated group	France	EA	39.26%	39.26%	

FC = Full consolidation.
EA = Equity accounted.

NOTE 16 ACCOUNTING PRINCIPLES AND METHODS

16.1 Consolidation method

Fully-consolidated companies

Companies over which the Group holds a controlling interest, usually as a result of a majority stake, are fully consolidated. This rule applies regardless of the actual percentage of shares held. The concept of control represents the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Minority interests in subsidiaries are shown in the balance sheet in a separate equity category. Net income attributable to minority shareholders is clearly shown in the income statement.

The income and expenses of subsidiaries purchased or disposed of during the fiscal year are included in the income statement from the acquisition date or up to the disposal date accordingly.

Equity-accounted associates

Companies in which the Group exercises significant influence on financial and business decisions but does not have majority control, or in which it exercises joint control are accounted for in accordance with the equity method.

Business combinations

Business combinations are accounted for using the acquisition method. Accordingly, when an entity is consolidated for the first time, its assets, liabilities and contingent liabilities are measured at fair value. In addition, for each business combination, the Group values any non-controlling interests in the entity acquired at fair value or based on the Group's proportional interest in the identifiable net assets of the entity acquired.

Acquisition costs are expensed in the income statement.

At the acquisition date, the Group recognizes goodwill in the amount of the difference between the consideration transferred plus any non-controlling interests in the entity acquired and the identifiable assets transferred net of liabilities assumed.

Where an acquisition leading to the acquisition of control is performed in stages, the Group revalues the previously held investment at fair value at the acquisition date and recognizes any resulting gain or loss in net income.

16.2 Foreign currency translation

Foreign-currency denominated transactions

Transactions by Group entities in foreign currencies are translated into the functional currency at the spot exchange rate at the date of the transaction. The foreign-currency value of assets and liabilities is translated at the spot exchange rate prevailing on the last day of the period.

The foreign exchange gains and losses resulting from the translation of foreign-currency transactions are recognized in the income statement.

Translation of foreign-currency denominated financial statements

The financial statements of companies presented in foreign currencies are translated as follows on consolidation:

- assets and liabilities are translated at the closing exchange rate;
- income statement items are translated at the average exchange rate for the period.

Unrealized foreign exchange gains and losses are reported on a separate line in equity under “Foreign currency translation reserves”.

Foreign-currency denominated inter-company advances

Foreign exchange gains and losses arising on foreign-currency denominated inter-company advances, the settlement of which is neither planned nor probable in the foreseeable future, are recognized in Foreign currency translation reserves. These foreign exchange gains and losses are not released to profit or loss on repayment, unless repayment forms part of a partial sale of the entity (*i.e.* leading to a decrease in the percentage interest in the subsidiary).

16.3 Assets (or groups of assets) and liabilities classified as held for sale

Non-current assets (or groups of assets) are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell, if the carrying amount is recovered principally by means of a sale transaction rather than through continuous use. For this to be the case, an asset (or a group of assets) must be available for immediate sale in its current state, subject only to terms that are usual and customary for sales of such assets, and its sale must be deemed highly probable.

In the case of financial instruments or investment property classified as held for sale, applicable measurement rules are set out in IAS 39 and IAS 40, respectively. These assets are stated at fair value.

Pursuant to IFRS 5, Non-current Assets held for Sale and Discontinued Operations, all liabilities (excluding equity), associated with groups of assets classified as held for sale are presented in a separate line of the Statement of Financial Position.

16.4 Intangible assets

Trademarks

Only purchased trademarks, which are identifiable, widely known and with a fair value that can be reliably measured are recognized as assets, at the value attributed to them on acquisition.

Whether a trademark has a finite or indefinite useful life is determined based, in particular, on the following factors:

- overall position of the trademark in the sector, as measured by sales volume, international scope and renown;
- outlook for the long-term return;
- exposure to fluctuations in the economy;
- major developments in the sector liable to have an impact on the trademark’s future;
- age of the trademark.

Trademarks with a finite useful life are amortized over their useful life and, where appropriate, are subject to impairment tests where there is indication that their value may have been impaired.

Trademarks with indefinite useful lives are not amortized but are subject to impairment tests on an annual basis or whenever there is indication that their value may have been impaired.

Costs incurred to create a new trademark or to develop an existing one are expensed in the period incurred.

Other intangible assets

Intangible assets (excluding trademarks) are measured at acquisition cost less accumulated amortization and impairment.

The useful life of intangible assets is assumed to be finite and amortization is recognized as an expense, generally calculated on a straight-line basis over their estimated useful life:

Straight-line amortization

Intangible asset category	Asmodee	Eurazeo PME	Fintrax	Sommet Education	Novacap
Customer contracts and relationships		20			
Patents and licenses		10 to 15	10		
Other software	1 to 3	1 to 5	3		3 or 6
Accreditations				5	
Curricula				10	
Domain names	3 to 10				
Distribution licenses of games acquired	5				
Published games internally developed	1 to 2				

Amortization is recognized from the date on which the asset is ready for commissioning.

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16.5 Property, plant and equipment

Property, plant and equipment, other than investment properties held by Eurazeo Patrimoine accounted for at fair value, are carried in the balance sheet at their historical cost to the Group, less accumulated depreciation and impairment.

Pursuant to IAS 16, *Property, plant and equipment*, only those items whose cost can be reliably measured and which are likely to produce future benefits for the Group are recognized as assets.

Assets financed by way of leases with purchase options or long-term leases, which transfer to the lessee substantially all of the risks and rewards of ownership of the asset, are accounted for as fixed assets and depreciated in accordance with accounting principles applicable to property, plant and equipment. The cost of assets includes the upfront costs directly related to securing the lease (negotiation expenses, legal and advisory fees, etc.). The financial commitments arising as a result of these contracts are recognized in borrowings.

Assets leased out under agreements that do not transfer substantially all of the risks and rewards of ownership to the lessee (operating leases) are recognized as non-current assets. Other leased out assets (finance leases) are recognized as receivables for the amount corresponding to the net investment in the lease.

Depreciation is calculated on a straight-line basis over the following useful lives:

Straight-line depreciation in years

Tangible asset category	ANF Immobilier	Asmodee	Eurazeo PME	Fintrax	Sommet Education	Grape Hospitality	Novacap
Buildings			10 to 25	50	10 to 20	15 to 50	8 to 30
Tools and equipment		2 to 10	3 to 15			3 to 15	
Vehicles		3 to 5	5	3 to 5			5 to 30
Fixtures and fittings	3 to 10	4 to 7	5 to 8	3 to 7		7 to 25	
Office furniture and equipment, IT equipment	3 to 10	4 to 10	3 to 10	3 to 7			3 or 10
Industrial equipment							20 to 30

Depreciation is recognized from the date on which the asset is ready for commissioning. Land is not depreciated.

16.6 Investment properties

Investment properties are measured initially at cost. The related transaction costs are included in the initial valuation. Subsequent to initial recognition, they are stated at fair value. Gains and losses arising from changes in the fair value of investment properties are recognized in the income statement in the period in which they occur (in other operating income and expenses).

The value of investment properties is determined based on reports prepared by appraisers.

16.7 Impairment of non-financial assets

Pursuant to IAS 36, *Impairment of assets*, whenever the value of property, plant and equipment is exposed to a risk of impairment due to events or changes in market conditions, an in-depth review is performed to determine whether the carrying amount is less than the recoverable amount, defined as the greater of fair value (less disposal costs) or value in use. Value in use is calculated by discounting future cash flows expected from the use of the asset.

Where the recoverable amount is less than the net carrying amount, an impairment is recognized, corresponding to the difference between those two values. Impairment of property, plant and equipment may subsequently be reversed (up to the amount of the initial impairment) if the recoverable amount rises above the carrying amount once again.

Likewise, impairment tests are systematically performed on goodwill and intangible assets with an indefinite useful life, at the end of each year or if there is indication of impairment. However, any impairment recognized on goodwill cannot be subsequently reversed.

16.8 Financial assets and liabilities

Initial recognition of financial assets and liabilities

When first recorded in the balance sheet, financial instruments are measured at fair value. Fair value is determined based on the price agreed upon for the transaction or market prices for comparable transactions. In the absence of a market price, fair value is calculated by discounting cash flows from the transaction, or using a model. Discounting is not performed if its impact is immaterial. For example, short-term receivables and payables arising in the course of the operating cycle are not discounted.

Expenses directly related to transactions (costs, commissions, fees, taxes, etc.) are added to the entry value of assets and deducted from that of liabilities.

Recognition of financial assets

Financial assets are classified for accounting purposes in four categories:

- financial assets at fair value through profit or loss;
- available-for-sale financial assets;
- held-to-maturity financial assets;
- loans and receivables.

The classification is based on the reasons underlying the acquisition of the financial asset and is determined at initial recognition.

On the sale of financial assets, the first-in, first-out (FIFO) method is applied to assets of the same company.

Financial assets at fair value through profit or loss

This category comprises financial assets held for trading and designated as such if they were purchased with the intention of reselling them in a short period of time, as well as financial assets whose performance is measured based on fair value and which are listed investments on an active market.

Derivatives are also designated as held for trading, unless they are classified as hedging instruments.

At the end of each accounting period, the fair value of these financial assets is remeasured and any gains or losses are recognized in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative instruments designated to this category or not designated to any other category. These financial assets are held for an indefinite period of time and may be sold if there is a need for cash. They are classified as non-current assets, unless the Group intends to hold them for less than twelve months (in which case they are classified as current assets).

Unlisted investments are measured at fair value (market value or the value at which market traders would agree to buy and sell them), in compliance with IPEV recommendations (International Private Equity Valuation Guidelines). The values obtained are then adjusted to reflect the legal terms and conditions of investments (subordination, commitments, etc.).

Listed securities are valued at their last market price on the balance sheet date.

Colyzeo and Colyzeo II investment funds are measured, at the valuation date, based on the most recent information communicated by fund managers.

If there is no reliable indication of fair value, securities are recognized at cost.

Changes in fair value are recognized in equity, net of deferred taxes.

Where there is objective indication that a financial asset may be impaired (such as a significant or prolonged fall in the asset's value below its entry cost), an impairment is recognized through profit or loss based on an individual analysis. This analysis takes into account all observable data (trading price, national or local economic position, industry indices) as well as any observations specific to the relevant entity. An impairment is recognized through profit or loss and, in the case of equity instruments, cannot be reversed to income unless the securities are sold.

Held-to-maturity financial assets

This category comprises assets with fixed maturities that the Group has acquired with the intention and the ability to hold until their maturity date. They are classified as non-current assets (except for those securities which mature in twelve months or less, which are considered current assets) and are measured at amortized cost using the effective interest method.

Where necessary, an impairment on the basis of credit risk may be recorded.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. They are included in current assets, except for those loans and receivables with maturity dates greater than twelve months after the balance sheet date (classified as non-current assets).

Recognition of borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred and are subsequently measured at amortized cost; any difference between income (net of transaction costs) and the repayment value is recognized in profit or loss over the term of the borrowing using the effective interest method.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer payment of the liability by at least 12 months after the balance sheet date, in which case these borrowings are classified as non-current liabilities.

Transfers of financial assets and liabilities

The Group derecognizes financial assets whenever the rights that make up the assets expire or are relinquished, or when the Group transfers or assigns its rights and is no longer affected by most of the associated risks and rewards.

The Group derecognizes financial liabilities when a debt is extinguished or transferred. Whenever a liability is exchanged with a creditor for one with materially different terms and conditions, a new liability is recognized.

16.9 Derivative financial instruments and hedging derivatives

Whether used for hedging purposes or not, derivative financial instruments are initially measured at fair value on the date on which the derivative contract is signed and are subsequently remeasured to fair value at each period end. This fair value takes account of counterparty risk and non-performance risk.

The method of recognizing related gains or losses depends on whether the derivative is recognized as a hedging instrument and, if appropriate, the nature of the hedged item. Accordingly, the Group designates derivatives as:

- hedging a specific risk linked to a recognized asset or liability or a highly probable future transaction (cash flow hedge);
- hedging the fair value of a recognized asset or liability (fair value hedge);
- a derivative instrument that does not meet hedge accounting criteria.

Fair value gains and losses on derivative instruments included in so-called "fair value" hedging relationships and derivative instruments not qualifying for hedge accounting during the year are recorded through profit or loss. However, the impact of the effective portion of fair value gains or losses on derivative instruments included in "cash flow" hedging relationships is recognized directly in equity, with the ineffective portion recognized through profit or loss.

The Group documents the relation between the hedging instrument and the hedged item from the beginning of the transaction, together with the risk management objectives and hedging policy. The Group also documents the measurement, at the beginning of the hedging transaction and on a permanent basis, of the highly effective nature of derivatives used to offset fair value gains or losses or the cash flows of hedged items.

The fair value of a derivative hedging instrument is classified in non-current assets or liabilities where the residual term of the hedged item is greater than 12 months, and in current assets or liabilities where the residual term of the hedged item is less than 12 months. Derivative instruments held for trading are classified in current assets or liabilities.

Derivatives included in cash flow hedging relationships

The application of cash flow hedge accounting enables the effective portion of changes in the fair value of the designated derivative to be deferred in a consolidated equity account.

The effective portion of fair value changes in derivative instruments which meet cash flow hedge criteria and are designated as such is recognized in equity. The gain or loss relating to the ineffective portion is immediately recognized through profit or loss. The aggregate amounts in equity are recycled to income in the periods in which the hedged item impacts profit or loss.

When a hedging instrument matures or is sold, or when a hedge no longer meets the hedge accounting criteria, the aggregate gain or loss recorded in equity on that date is maintained in equity and is subsequently released to income when the planned transaction is ultimately recognized in profit or loss. Where the completion of the transaction is not planned, the aggregate profit or loss recorded in equity is immediately released to the income statement.

Derivatives included in fair value hedging relationships

The application of fair value hedge accounting allows the hedged item to be remeasured to fair value up to the amount of the hedged risk, thereby limiting the impact of changes in fair value on profit or loss to the ineffective portion of the hedge.

Fair value gains and losses on derivative instruments meeting fair value hedging criteria and designated as such, are recognized in profit or loss, together with the fair value gains or losses on the hedged asset or liability that are attributable to the hedged risk.

When the hedge no longer meets hedge accounting criteria, adjustments to the carrying amount of a hedged financial instrument for which the effective interest method is used, shall be amortized to profit or loss over the residual period to maturity of the hedged item.

Derivatives not qualifying as hedges

Fair value gains and losses in the year are recognized in profit or loss.

16.10 Other short-term deposits

Other short-term deposits include money-market and debt instruments, as well as shares in short-term funds. They are accounted for and measured at fair value, with changes in fair value recognized in profit or loss.

Eurazeo applies volatility and sensitivity criteria suggested by the French Financial Market Authority (AMF) in its position of September 23, 2011, to differentiate these assets from "cash and cash equivalents". Accordingly, and even though they are fully liquid, these investments are considered cash allocated to investment transactions from an accounting standpoint, whereas they are actually invested cash balances for the Group from an operating standpoint.

16.11 Cash, cash equivalents and bank overdrafts

"Cash and cash equivalents" include cash, on-demand bank deposits and other very short-term investments with initial maturities of three months or less. These items present negligible risk of change in value.

Bank overdrafts are recognized in the balance sheet as part of borrowings under current liabilities.

16.12 Employee benefits

Premiums paid by Eurazeo to defined contribution plans are expensed in the period to which they relate.

In the case of defined benefit plans, the cost of benefits is estimated using the projected unit credit method. Under this method, entitlement to benefits is allocated to service periods using the plan's vesting formula and applying a linear progression whenever vesting is not uniform over subsequent service periods.

Future payments corresponding to benefits granted to employees are estimated on the basis of assumed pay increases, retirement age and mortality, after which the present value is calculated using the interest rate on long-term bonds issued by firms with the highest credit ratings.

Actuarial gains and losses relating to obligations arising on defined benefit plans are recognized directly in consolidated equity.

Past service costs resulting from a plan amendment are recognized immediately in the employees benefit expense with current service costs of the year.

The interest expense is recorded in other financial income and expense.

16.13 Share-based payments

The Group has set-up a compensation plan settled in equity instruments (stock options and free share grants). The fair value of services rendered by employees in consideration for the grant of the options is expensed in the income statement.

The total amount expensed over the vesting period is determined by reference to the fair value of the options granted, without taking account of vesting conditions other than market conditions. The latter are incorporated in assumptions regarding the number of options likely to become eligible for exercise. At each period end, the Group examines the number of options likely to become eligible for exercise and, where, applicable, recognizes in the income statement the impact of any adjustment to its estimates through a corresponding adjustment to equity.

The fair value of stock options at the grant date is valued based on Monte Carlo simulations.

16.14 Revenue recognition

Operating leases (as lessor)

Revenue from operating leases is recognized as revenue in the income statement on a straight-line basis over the lease term.

Sales of services

Revenue from the sale of services is recognized in the period in which services are rendered, based on the stage of completion of the transaction as reflected by the ratio of services performed to aggregate services to be performed.

Sales of goods

Revenue is recognized when the material risks and rewards of ownership of the property concerned are transferred to the buyer.

Dividends

Revenue from dividends is recognized when the dividend payout is authorized by the Shareholders' Meeting.

In addition, where a dividend distribution includes an option for payment in shares, an asset derivative is recognized and the shares distributed are initially recognized at fair value at the date of election for payment in shares and not at the distribution reference price.

16.15 Income tax expense

The tax rates and rules applied are those enacted or substantially enacted at the period end (for current taxes) or that will be effective when the asset is realized or the liability settled (for deferred taxes). Current or deferred tax on items recognized directly in equity is recognized directly in equity and not in profit or loss.

Current income tax

Income tax assets or liabilities due for the year or for previous years are measured at the amount expected to be collected from or paid to the tax authorities.

Deferred income tax

Deferred taxes are recognized using the liability method on all temporary differences existing at the balance sheet date between the tax base and carrying amount of assets and liabilities.

Deferred tax assets and liabilities are recognized on all deductible temporary differences, tax losses carried forward (deferred tax assets) and unused tax credits (deferred tax assets), with the exception of the following two cases:

- when the deferred tax liability is the result of the initial recognition of goodwill or when the deferred tax asset or liability is generated by the initial recognition of an asset or liability in a transaction other than a business combination and which at the time of occurrence, neither affects the accounting profit nor the taxable profit or loss; and
- in the case of deductible or taxable temporary differences relating to investments in subsidiaries and associates, deferred tax assets and liabilities are not recognized unless it is probable that the temporary difference will reverse in the foreseeable future and in the case of deferred tax assets that the temporary difference can be offset against a future taxable profit.

Deferred tax assets are also only recognized insofar as it is probable that a taxable profit will be available against which these deferred tax assets may be offset.

The likelihood of recovering deferred tax assets is reviewed periodically for each tax entity and may, where appropriate, result in deferred tax assets no longer being recognized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and the deferred taxes relate to the same taxable entity and the same tax authority.

16.16 Provisions

This heading covers liabilities with an uncertain due date and of an uncertain amount, resulting from restructurings, environmental risks, litigation and other risks.

A provision is set aside whenever the Group has a contractual, legal or implied obligation arising from a past event and when future cash outflows can be reliably estimated. Liabilities resulting from restructuring plans are recognized when the detailed plans are finalized and it is reasonably expected that they will be implemented.

16.17 Interests relating to investments in investment funds

A number of investors have decided to invest jointly alongside Eurazeo as part of the Eurazeo Partners and Eurazeo Capital II co-investment funds.

Given the limited life of these entities, the amounts invested by co-investors are shown separately from equity in a specific liabilities item entitled "Interests relating to investments in investment funds".

Since the liquidation clauses of the co-investment fund provide for the ultimate distribution in kind to the partners of those investments not previously sold, these interests are measured with reference to the Eurazeo consolidated balance sheet value of the assets concerned, and which will be distributed in repayment of the capital contributed.

16.18 Co-investment by the management teams of investments

On the acquisition of certain investments, Eurazeo agreed to share its investment profits and risks with the management of each entity acquired. The executives concerned are accordingly invited to invest large sums relative to their personal assets, alongside Eurazeo. The financial instruments concerned are subscribed at fair value as determined by conventional models, appropriate for the instruments concerned.

Gains from each investment are contingent on Eurazeo achieving a certain return on its own investment. They are therefore high-risk investments for the executives concerned since the sums invested by them can be partially or entirely lost if that return is not attained. Eurazeo's obligation, on the other hand, is generally limited to retroceding a portion of any capital gains on the shares concerned (above and beyond the minimum return originally set) when they are sold or in the event of an IPO.

The right to any capital gains will accrue to recipients within a timeframe that varies from investment to investment. Consequently, this future dilution, which is only recognized on the investment exit date, is reflected by a capital gain reduced in the amount of the investment allocated to managers.

It should also be noted that Eurazeo's commitment to the management of subsidiaries generally benefits the persons concerned only if the shares are sold or offered to the public. A decision made at Eurazeo's discretion. Hence, Eurazeo has an unconditional right to avoid delivering financial assets to settle its obligations under such arrangements, and these financial instruments are accounted for as equity instruments. Nevertheless, in certain specific cases, Eurazeo has made a commitment to buy back from executives their shares of the Company issuing these financial instruments. In this case, a liability is recognized in the amount of the contractual obligation.

Based on the average return expected by Eurazeo from its investment in these companies (generally an IRR of 15% or an equity multiple of 2), the potential dilution resulting from the exercise of these financial instruments by executives would be between 1.5% and 7% of the share capital, depending on the subsidiary concerned, assuming a liquidity event occurs within 5 years.

16.19 Co-investment contracts for members of the Executive Board and investment teams

In line with standard investment fund practice, Eurazeo has created a "co-investment" machanism for the members of the Executive Board and teams involved in the investments ("the beneficiaries").

For investments performed after January 1, 2012, this mechanism is structured around a variable capital company grouping together Eurazeo (95% of the share capital) and private individual investors (holding the remaining 5% of the share capital). This company participates in each investment performed by Eurazeo in the amount of 10%.

For investments performed between January 1, 2012 and December 31, 2013 and any additions, the entity is called Carryco Croissance.

For investments performed since January 1, 2014, there are different entities for each division (Carryco Capital 1, Carryco Croissance 2, Carryco Patrimoine).

Within each Carryco, an agreement was signed between Eurazeo and the private individual investors stipulating that the private individual investors can only recover their investment after Eurazeo has recovered its investment in full and that private individual investors will only receive the full capital gain earned by the Carryco after Eurazeo has received an overall minimum annual return of 6 % (the "hurdle"). These thresholds and capital gains are calculated, as appropriate, either (i) by aggregating the investments performed under the relevant program, or (ii) by allocating them 50% to the observed performance of each individual investment and 50% to all investments of the relevant period.

Under the relevant investment programs, the beneficiaries acquire their rights either immediately or progressively, provided they are still in office at the scheduled anniversary dates. The right to any capital gains will be settled by Eurazeo at a given date or in the event of a change in control of Eurazeo.

The amounts invested by the Executive Board and the investment teams are recognized in liabilities. The liability value includes any commitment by Eurazeo to repurchase from beneficiaries their rights in accordance with any contractual termination or liquidation clauses and the portion payable to beneficiaries at the end of the plan in respect of net realized capital gains, once the probability that the 6% hurdle will be attained is high.

Capital gains on disposals recognized by Eurazeo are accounted for net of any portion due to beneficiaries, once the probability that the hurdle will be attained is high.

16.20 Earnings per share

Basic earnings per share is calculated by dividing net income attributable to owners of the Company by the weighted average number of shares outstanding during the period, excluding the average number of repurchased shares held as treasury shares.

Diluted earnings per share is calculated based on the weighted average number of shares, as measured by the share buyback method. This method assumes that existing share subscription options with a dilutive impact will be exercised and that Eurazeo will buy back its shares at their current price for an amount corresponding to the cash received as consideration for the exercise of the options, plus stock options costs still to be amortized.

Earnings per share for prior years are adjusted accordingly in the event of a stock split or a distribution of bonus shares.

4.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meetings, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying consolidated financial statements of Eurazeo SA;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

I – OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II – JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L.823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

- as described in Note 2.1 "Changes in consolidation scope", the Company lost its significant influence over Foncia, Moncler and Accor during the year ended December 31, 2016. Consequently, the corresponding investments were deconsolidated from the consolidated financial statements. We assessed the assumptions used by the Company to identify the loss of significant influence and verified the appropriateness of the accounting treatment applied in the consolidated financial statements. We also verified that section 2.1 of Note 2, section 8.2 of Note 8 and section 4.2.1 of Note 4 to the consolidated financial statements provide appropriate disclosure;
- your Company entered into co-investment agreements as described in Note 14.3 "Co-investment contracts" and Note 16.19 "Co-investment contracts for members of the Executive Board and investment teams" to the consolidated financial statements. Our procedures consisted in assessing the methods and assumptions used to account for the retrocession of net capital gains and verifying that the notes to the consolidated financial statements mentioned above provide appropriate disclosure;
- as described in section 1.2 "Critical accounting estimates and judgments" of Note 1 "General accounting principles" to the consolidated financial statements, Eurazeo is required to make estimates and assumptions to prepare its financial statements. These significant accounting estimates relate in particular to the measurement of the recoverable value of goodwill, intangible assets with indefinite useful lives, and investments in associates, as well as the measurement at fair value of investment properties.
  - → in the case of goodwill, intangible assets with indefinite useful lives and investments in associates, our procedures consisted in verifying the methodologies and data used in the impairment tests, and in assessing assumptions. We reviewed the calculations made by Eurazeo and verified that sections 6.1, 6.2 and 6.4 of Note 6 and section 8.1 of Note 8 to the consolidated financial statements provide appropriate disclosure.
  - → for the measurement at fair value of investment properties, we examined the data used and assessed the assumptions and the resulting evaluations. We also verified that the fair value of investment properties, as presented in the consolidated financial statements, was determined on the basis of evaluations performed by independent firms as described in Note 7 to the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Executive Board's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Clavié	Guillaume Potel Émilie Loréal

Sunrise #10

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COMPANY FINANCIAL STATEMENTS

5.1 BALANCE SHEET

ASSETS

(In thousands of euros)		12/31/2016 Gross	12/31/2016 Depreciation and amortization	12/31/2016 Net	12/31/2015 Net
Non-current assets					
Intangible assets	**1**	**1,088**	**844**	**244**	**16,344**
Property, plant and equipment	**1**	**7,305**	**1,562**	**5,743**	**5,392**
Land		1	-	1	1
Buildings		5	5	-	-
Other property, plant and equipment		7,168	1,557	5,611	455
PP&E under construction		132	-	132	4,936
Financial assets (1)	**2**	**4,293,932**	**900,320**	**3,393,612**	**2,897,129**
Investments		3,567,521	870,924	2,696,597	2,729,395
Receivables from investments	3	438,146	-	438,146	109,926
Portfolio securities (TIAP)		34,672	-	34,672	34,672
Other securities holdings		231,188	29,396	201,792	9,523
Loans	3	38	-	38	46
Treasury shares		11,919	-	11,919	12,240
Other financial assets		10,448	-	10,448	1,327
Total I		**4,302,326**	**902,726**	**3,399,600**	**2,918,865**
Current assets					
Receivables (2)	**3**	**17,501**	**33**	**17,468**	**140,492**
Other debtors		17,311	33	17,278	16,501
French State – Income tax		190	-	190	123,991
Treasury shares	**4**	**76,348**	**3,148**	**73,200**	**83,337**
Marketable securities	**4**	**467,173**	**-**	**467,173**	**219,737**
Cash and cash equivalents	**4**	**651,421**	**-**	**651,421**	**786,396**
Prepaid expenses	**5**	**583**	**-**	**583**	**549**
Total II		**1,213,027**	**3,181**	**1,209,846**	**1,230,511**
TOTAL ASSETS		**5,515,352**	**905,907**	**4,609,446**	**4,149,376**
(1) Of which due in less than one year:				*153,174*	*nil*
(2) Of which due in more than one year:				*nil*	*nil*

EQUITY AND LIABILITIES

(In thousands of euros)		12/31/2016 Before appropriation	12/31/2015 Before appropriation
Equity			
Share capital	6	212,597	213,980
Share, merger and contribution premiums		710	-
Legal reserve		14,197	14,335
Legal reserve on net long-term capital gains		7,063	7,063
Regulated reserve on net long-term capital gains		1,436,172	1,436,172
General reserve		1,800,139	1,468,182
Retained earnings		-	235,514
Net income for the year		389,611	466,565
Total I		**3,860,490**	**3,841,811**
Provisions for contingencies and losses	**7**		
Provisions for contingencies		4,971	2,342
Provisions for losses		123,407	69,674
Total II		**128,378**	**72,016**
Liabilities[(1)]	**3**		
Trade payables and related accounts		5,313	7,522
Taxes payable		1,600	3,679
Employee benefits payable		7,701	6,687
Other liabilities		501,752	212,058
Liabilities on non-current assets and related accounts		104,170	5,604
Deferred income		43	-
Total III		**620,578**	**235,549**
TOTAL GENERAL		**4,609,446**	**4,149,376**
(1) Of which less than one year:		*620,578*	*225,890*

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5.2 INCOME STATEMENT

(In thousands of euros)	Notes	01/01/2016 12/31/2016	01/01/2015 12/31/2015
Asset management operations			
Ordinary income	**8**	**470,004**	**536,484**
Income from investments		451,140	521,267
Income from marketable securities		6,614	6,142
Other income		12,250	9,075
Ordinary expenses	**9**	**(62,791)**	**(63,844)**
Employee benefits expense		(32,362)	(29,737)
Taxes and levies		(3,961)	(3,878)
Other purchases and expenses		(23,073)	(26,780)
Financial expenses		(3,395)	(3,448)
Gross operating income from ordinary operations		**407,213**	**472,640**
Non-recurring income (loss) on asset management operations		124	812
Foreign exchange gains (losses)		(575)	(173)
Net proceeds from sales of marketable securities		80	688
Depreciation and amortization		(1,002)	(602)
Charges to provisions		(24,426)	(16,942)
Reversals of provisions and expense reclassifications		27,417	10,139
Taxes	16	(13)	1,165
Income from asset management operations		**408,817**	**467,727**
Investment transactions			
Capital gains (losses) on sales of investments	10	11,882	171,115
Capital gains (losses) on sales of portfolio securities	10	-	8
Capital gains (losses) on sales of other financial assets	10	332	1,115
Cost of financial asset disposals		(491)	(10,453)
Investment expenses		(13,955)	(19,050)
Other financial income and expenses		10,581	12,813
Charges to provisions	12	(70,888)	(164,729)
Reversals of provisions	12	47,384	12,466
Taxes	16	(1,360)	(795)
Income (loss) from investment transactions		**(16,515)**	**2,490**
Non-recurring transactions			
Capital gains (losses) on disposals of property, plant and equipment and intangible assets		5	(6,710)
Non-recurring income and expenses	15	3,145	4,396
Reversals of provisions and expense reclassifications	12	1,499	3,908
Charges to provisions	12	(3,648)	(1,802)
Taxes	16	(3,692)	(3,444)
Income (loss) from non-recurring transactions		**(2,691)**	**(3,652)**
NET INCOME		**389,611**	**466,565**

5.3 NOTES TO THE COMPANY FINANCIAL STATEMENTS

CONTENTS

5.3.1 ACCOUNTING PRINCIPLES AND METHODS

The annual financial statements have been prepared in accordance with the principles and methods defined in Regulation 2016-07 issued by the French Accounting Standards Authority (*Autorité des Normes Comptables*), as confirmed by the Order of December 26, 2016.

Generally accepted accounting principles were applied in accordance with the principle of prudence and the general rules governing the preparation and presentation of financial statements, as well as the basic assumptions of:

- going concern;
- accruals; and
- consistency.

The financial statements have been prepared on a historical cost basis.

They are presented in accordance with the recommendations contained in French National Accounting Institute (*Conseil National de la Comptabilité*) Guideline no. 63, published in January 1987, applicable to portfolio companies.

When preparing its financial statements, Eurazeo must make estimates and assumptions that could affect the carrying amount of certain assets, liabilities, revenue and expenses and have an impact on the information contained in the Notes to the financial statements. Eurazeo reviews these estimates and judgments on a regular basis, taking into consideration past experience and other factors deemed relevant in light of economic conditions.

Depending on changes in those assumptions or if conditions vary from those anticipated, amounts in future financial statements could differ from the current estimates.

The financial statements reflect the best estimates available to the Company, based on information as of the period end, with regard to the uncertain economic environment.

5.3.2 ACCOUNTING POLICIES

Intangible assets and property, plant and equipment

Since January 1, 2005, the Company applies the General Chart of Accounts regulations implementing the French National Accounting Institute notices on the definition, recognition and measurement of assets (CRC Regulation no. 2002-10 of December 12, 2002; CRC Regulation no. 2003-07 of December 12, 2003; CRC Regulation no. 2004-06 of November 23, 2004 and the Order of December 24, 2004).

Depreciation is calculated on a straight-line basis over the following periods:

- fixtures and fittings: 9 years;
- office equipment 3 to 5 years;
- computer hardware 3 or 5 years;
- furniture: 9 years.

Gross values include the purchase price and any non-refundable VAT.

Non-current asset purchase costs

CRC Regulation no. 2004-06 on assets provides for the inclusion in assets of expenses incurred in connection with the purchase of property, plant and equipment, intangible assets, securities holdings and marketable securities and offers an option for them to be expensed in the year incurred.

Eurazeo has opted to treat expenses incurred in connection with asset purchases as expenses of the year in the case of property, plant and equipment, intangible assets, securities holdings and marketable securities.

Investments, portfolio securities, other securities holdings and marketable securities

Securities and ownership interests under these headings are recognized at cost, net of incidental acquisition expenses.

Depending on the nature of the instrument acquired, amounts invested in the Company's investments ("long-term" investments) are recognized in one of the following account headings: investments, receivables from investments, portfolio securities, other securities holdings.

Investments are measured at value in use, calculated based on a variety of criteria such as:

- discounted future cash flows taken from the 5-year business plans prepared by the management team of each investment and validated by Eurazeo Management. These investment business plans were prepared based on management's best estimates of the impacts of the current economic climate. Future cash flow estimates are therefore prudent and reflect, where appropriate, the resilience of the investment's business;
- comparable multiples – stock market capitalization or transactions – applied to aggregates taken from the historical income statements or, where appropriate, forecast accounts;
- the share in accounting net assets;
- the average stock market price over the last month;
- where appropriate, investments are grouped into cash-generating units when an investment is held directly or through a holding company.

An impairment is recognized where this value is less than the cost price.

The value of investments sold is calculated based on the weighted average cost price of the securities concerned.

The value of other portfolio securities is calculated at the end of each reporting period taking into account the general prospects of the companies concerned, and primarily based on their market value.

If this value is less than the historical cost of the investment, an impairment is recognized.

Other securities holdings and marketable securities are reported in the balance sheet at their acquisition price or transfer value, restated, if necessary, for impairment based on their intrinsic or stock market value at the end of the reporting period.

In the event of a disposal, portfolio securities, other securities holdings and marketable securities issued by the same company that have been held the longest are deemed to have been sold first.

Pursuant to ANC Regulation no. 2015-06 amending the rules governing the recognition and measurement of technical deficits, technical deficits recognized on mergers or comprehensive asset transfers are tested for impairment at each period-end to verify that the carrying amount does not exceed the recoverable amount, defined as the greater of market value (less disposal costs) and value in use.

Accounting treatment of co-investment plans

In line with standard investment fund practice, Eurazeo has created a co-investment mechanism for the members of the Executive Board and the teams involved in the investments ("the beneficiaries").

For investments performed after January 1, 2012, this mechanism is structured around a variable capital company grouping together Eurazeo (95% of the share capital) and private individual investors (holding the remaining 5% of the share capital). This company participates in each investment performed by Eurazeo in the amount of 10%.

For investments performed between January 1, 2012 and December 31, 2013 and any additions, the entity is called Carryco Croissance.

For investments performed since January 1, 2014, there are different entities for each division (Carryco Capital 1, Carryco Croissance 2, Carryco Patrimoine).

Within each Carryco, an agreement was signed between Eurazeo and the private individual investors stipulating that the private individual investors can only recover their investment after Eurazeo has recovered its investment in full and that private individual investors will only receive the full capital gain earned by the Carryco after Eurazeo has received an overall minimum annual return of 6% (the "hurdle"). These thresholds and capital gains are calculated, as appropriate, either (i) by aggregating the investments performed under the relevant program, or (ii) by allocating them 50% to the observed performance of each individual investment and 50% to all investments of the relevant period.

Under the relevant investment programs, the beneficiaries acquire their rights either immediately or progressively, provided they are still in office at the scheduled anniversary dates. The right to any capital gains will be settled by Eurazeo at a given date or in the event of a change in control of Eurazeo.

The implementation of these programs gave rise to the commitments detailed in Note 17.

Stock options and free share plans

In accordance with CNC recommendation no. 2008-17 of November 6, 2008, concerning the accounting treatment of stock option plans and employee free share plans, treasury shares held and previously classified in account 502 were reclassified at net carrying amount in:

- account 502-1 "Shares earmarked for grant to employees and allocated to specific plans" for plans "in the money";
- account 502-2 "Shares available for grant to employees".

The shares held in account 502-1 are no longer impaired to reflect their market value, but a liability provision is set aside if the strike price falls below their cost price.

At the end of the fiscal year, the shares held in account 502-2 are impaired if their cost price exceeds their market value.

Post-employment benefits

In accordance with the law and standard practice in France, Eurazeo participates in pension schemes as well as plans granting other benefits to employees. These obligations are partially covered by external financing which seeks to progressively constitute funds through the payment of premiums. These premiums are expensed in the year incurred in "Other purchases and expenses".

Obligations are valued using the retrospective method based on final salary estimates and taking account of seniority, life expectancy, attrition rates per employee category and economic assumptions such as the inflation rate and the discount rate.

A provision is recognized, where necessary, to cover obligations net of plan assets.

Top-up pension plan

Eurazeo recognizes in full the obligation represented by the top-up pension plan reserved for Executive Board members, net of funding. Accordingly, actuarial gains and losses arising from changes in assumptions and experience adjustments are recognized immediately and in full in profit or loss ("Other purchases and expenses").

Foreign currency transactions

Receivables and payables as well as securities and ownership interests denominated in foreign currencies are reported in the accounts at the exchange rate applicable on the date of the relevant transaction.

At the end of the fiscal year, they are translated into euros at the closing exchange rate. Differences resulting from the application of updated exchange rates to liabilities and receivables are reported in the balance sheet under "Unrealized foreign exchange gains and losses".

A contingency provision is set aside for any unrealized losses not offset by gains.

Accrued dividends

Dividends voted by the Annual Shareholders' Meetings of companies in which Eurazeo holds an interest and which are not yet paid at the end of the fiscal year are recognized at the date on which they are approved by the respective Shareholders' Meetings.

5.3.3 ADDITIONAL INFORMATION

NOTE 1 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

(In thousands of euros)	12/31/2015	Gross value		Other charges	Depreciation, amortization & impairment		12/31/2016
		Additions	Disposals		Charge	Reversal	
Intangible assets							
Gross value	**17,062**	**138**	**-**	**(16,112)**	**-**	**-**	**1,088**
Amortization and impairment	(718)	-	-	-	(126)	-	(844)
NET VALUE	**16,344**	**138**		**(16,112)**	**(126)**		**244**
Property, plant and equipment							
Gross value	**6,183**	**2,385**	**(1,263)**	**-**	**-**	**-**	**7,305**
Land	1	-	-	-	-	-	1
Buildings	5	-	-	-	-	-	5
Other property, plant and equipment	1,242	200	(468)	6,195	-	-	7,168
PP&E under construction	4,936	2,185	(795)	(6,195)	-	-	131
Depreciation	**(791)**	**-**	**-**	**-**	**(876)**	**105**	**(1,562)**
Buildings	(5)	-	-	-	-	-	(5)
Other property, plant and equipment	(786)	-	-	-	(876)	105	(1,557)
NET VALUE	**5,392**	**2,385**	**(1,263)**	**-**	**(876)**	**105**	**5,743**

Pursuant to ANC Regulation no. 2015-06 amending the rules governing the recognition and measurement of technical deficits, Eurazeo changed the accounting classification of technical deficits recognized on comprehensive asset transfers recorded in “Other intangible assets” up to December 31, 2015. In accordance with the option provided by the ANC Regulation, deficits were allocated based on unrealized capital gains (existing as of January 1, 2016 or at the date of the comprehensive asset transfer) on securities representing the Europcar and the Eurazeo PME businesses. The net carrying amount of technical deficits of €16,112 thousand as of December 31, 2015 was transferred on January 1, 2016 to “Investments” in the amount of €14,682 thousand and to “Securities holdings” in the amount of €1,430 thousand (through “Other changes”).

NOTE 2 FINANCIAL ASSETS

(In thousands of euros)	Gross values				
	12/31/2015	Additions	Disposals	Other changes	12/31/2016
Investments	3,635,085	361,097	(609,752)	181,090	3,567,521
Receivables from investments	109,926	685,557	(172,921)	(184,416)	438,146
Portfolio securities (TIAP)	34,672	-	-	-	34,672
Other securities holdings	37,345	199,108	(24,710)	19,445	231,188
Loans	46	-	-	(7)	38
Treasury shares in the course of cancellation	-	127,179	(211,628)	95,719	11,270
Treasury shares	12,240	131,010	(46,881)	(95,719)	649
Other financial assets	1,327	9,122	-	-	10,448
TOTAL	**3,830,641**	**1,513,072**	**(1,065,892)**	**16,112**	**4,293,932**

1. "Investments"

The increase in "Investments" primarily concerns:

- the acquisition of Sommet Education shares (through Graduate) for €208,485 thousand;
- the acquisition of Novacap shares (through LH Novacap) for €146,838 thousand;
- the acquisition of additional Younited Credit shares for €3,362 thousand.

"Other changes" mainly consist of the capitalization of advances in investments of €166,401 thousand (see breakdown below) and the transfer of the technical deficit allocated to Europcar shares of €14,682 thousand:

- LPCR (through Legendre Holding 47) for €60,181 thousand;
- Farfetch (through Legendre Holding 51) for €16,007 thousand;
- IM Square (through Legendre Holding 36) for €7,892 thousand;
- IES (through Legendre Holding 21) for €4,670 thousand;
- Carryco Capital 1 for €64,136 thousand;
- Carryco Patrimoine for €11,358 thousand.

The decrease in "Investments" is due to the removal of shares from assets and share capital reduction transactions performed on the distribution of premiums in addition to dividends received after disposals:

- Elis for €30,647 thousand (partial disposal);
- Sphynx for €197,336 thousand (disposal of the entire investment in Foncia);
- ECIP M for €47,138 thousand (repayment of contributions) following the partial sale of Moncler shares;
- Euraleo for €55,373 thousand following the liquidation of the Company;
- the cost price of the following shares was reduced following the syndication by Eurazeo of shares to the Eurazeo Capital II fund:
  - → Asmodee Holding for €32,345 thousand,
  - → Desigual for €63,753 thousand,
  - → Neovia for €26,087 thousand,
  - → Fintrax for €53,899 thousand,
  - → LH Novacap for €36,268 thousand,
  - → Graduate for €51,496 thousand,
  - → LPCR for €14,873 thousand.

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2. "Receivables from investments"

Additions to receivables mainly reflect additional advances to:

- Eurazeo PME Capital of €111,926 thousand;
- Eurazeo Real Estate Lux of €139,029 thousand;
- Eurazeo Capital II of €153,174 thousand representing 50% of the share disposal price not paid on syndication;
- LPCR (through Legendre Holding 47) of €95,545 thousand;
- Asmodee Holding of €19,500 thousand;
- Farfetch (through Legendre Holding 51) of €42,103 thousand;
- Vestiaire Collective (through Legendre Holding 42) of €9,900 thousand;
- IM Square (through Legendre Holding 36) of €24,527 thousand;
- IES (through Legendre Holding 21) of €3,870 thousand;
- Carryco Capital 1 of €52,680 thousand;
- Carryco Patrimoine of €14,870 thousand.

Disposals of receivables mainly reflect the repayment of advances to:

- Eurazeo PME Capital of €35,455 thousand;
- Eurazeo Real Estate Lux of €28,049 thousand;
- Asmodee of €49,692 thousand;
- LPCR (through Legendre Holding 47) of €16,703 thousand;
- Carryco Capital 1 of €18,841 thousand;
- Farfetch (through Legendre Holding 51) of €22,083 thousand.

"Other changes" mainly consist of the capitalization of advances in investments of €166,401 thousand (see breakdown in point 1) and in "Securities holdings" of €18,015 thousand (see breakdown in point 3).

3. "Other securities holdings"

Additions to this heading mainly reflect investments in:

- LPCR (through bonds issued by Grandir) for €53,537 thousand;
- Capzanine for €100 million (share capital subscription not fully paid-up);
- Investco 5 Bingen for €41,162 thousand;
- the recognition of interest on Financière Truck Investissement (Fraikin) loans and bonds of €1,575 thousand and on LPCR (through Legendre Holding 47) of €2,834 thousand.

Disposals concern the sale of LPCR bonds notably following the €24,690 thousand syndication to the Eurazeo Capital II fund.

"Other changes" mainly concern the subscription to the Legendre Holding 47 (LPCR) bond issue through the capitalization of receivables in the amount of €18,015 thousand.

4. "Treasury shares"

The increase in treasury shares during the fiscal year reflects share purchases under the liquidity contract and 1,592,236 shares held for the purpose of an external growth transaction.

On June 22, 2016, the Executive Board decided to reclassify 1,764,736 of these shares with a value of €95,719 thousand to treasury shares in the course of cancellation.

"Treasury shares in the course of cancellation" reflect the purchase of 2,409,730 shares during fiscal year 2016. The 3,969,449 shares recorded in this heading (including the reclassified shares) were cancelled on December 27, 2016. The Company held 205,017 shares in the course of cancellation, representing 0.29% of the share capital, as of December 31, 2016.

5. Impairment of financial assets

(In thousands of euros)	12/31/2015	Charge	Reversal	12/31/2016
Investments	(905,690)	(12,618)	47,384	(870,924)
Other securities holdings	(27,822)	(1,575)	-	(29,397)
TOTAL	**(933,512)**	**(14,193)**	**47,384**	**(900,320)**

Changes in impairment of financial assets during the fiscal year ended December 31, 2016 were as follows:

- an additional charge of €4,450 thousand on the investment in Gruppo Banca Leonardo;
- an additional charge of €2,298 thousand on the investment in Eurazeo Real Estate Lux;
- an impairment of €5,519 thousand on the investment in Legendre Holding 26 (I-Pulse);
- a reversal of impairment of €16,113 thousand on the investment in Euraleo following the liquidation of the Company;
- a reversal of impairment of €31,205 thousand on the investment in Legendre Holding 29 (Desigual) following the partial sale of shares to Eurazeo Capital II.

The estimated value of portfolio securities is as follows:

	At the beginning of the year			At the end of the year		
(In thousands of euros)	Gross carrying amount	Net carrying amount	Estimated value	Gross carrying amount	Net carrying amount	Estimated value
Portfolio measured: at cost price	34,672	34,672	34,672	34,672	34,672	34,672
TOTAL	**34,672**	**34,672**	**34,672**	**34,672**	**34,672**	**34,672**

The "Portfolio securities" heading comprises shares in Eurazeo Partners and Eurazeo Partners B.

NOTE 3 RECEIVABLES AND LIABILITIES

RECEIVABLES

(In thousands of euros)	Gross amount	Due in less than one year	Due in more than one year
Non-current assets	**438,184**	**153,174**	**285,010**
Receivables from investments	438,146	153,174	284,972
Loans	38	-	38
Current assets	**17,311**	**17,311**	**-**
Trade receivables and related accounts	14,685	14,685	-
Other receivables	2,626	2,626	-
French State – Income tax	**190**	**190**	**-**
TOTAL	**455,685**	**170,675**	**285,010**

A breakdown of "Receivables from investments" is presented in Note 2.

LIABILITIES

(In thousands of euros)	Gross amount	Due in less than one year	Due in more than one year
Trade payables and related accounts	5,313	5,313	
Taxes and employee benefits payable	9,301	9,301	
Other liabilities	501,752	501,752	
Liabilities on non-current assets and related accounts	104,170	104,170	
TOTAL	**620,536**	**620,536**	

As of December 31, 2016, "Other liabilities" primarily consist of current account advances from subsidiaries under Group cash management agreements.

"Liabilities on non-current assets and related accounts" comprise Capzanine share capital subscribed but not called of €98,040 thousand.

NOTE 4 CASH AND CASH EQUIVALENTS

(In thousands of euros)	Gross value 12/31/2015	Additions	Disposals	Gross value 12/31/2016	Valuation at 12/31/2016
Treasury instruments	204,798	1,860,250	(1,612,831)	452,218	452,259
Listed bonds	14,939	15	-	14,955	15,802
Marketable securities	**219,737**	**1,860,266**	**(1,612,831)**	**467,173**	**468,061**
Bank accounts and cash in hand	8,496	4,854	(8,496)	4,854	4,854
Term accounts	776,104	645,253	(776,104)	645,253	645,253
Interest on term accounts	1,795	1,314	(1,795)	1,314	1,314
Cash and cash equivalents	**786,396**	**651,421**	**(786,396)**	**651,421**	**651,421**
Treasury shares	**86,965**	**588**	**(11,205)**	**76,348**	**73,200**
TOTAL	**1,093,098**	**2,512,274**	**(2,410,431)**	**1,194,942**	**1,192,683**

The Company mainly invests its cash balances in negotiable debt instruments, money-market funds and interest-bearing term accounts.

Treasury shares earmarked for grant to employees

"Treasury shares" consist of 2,250,248 Eurazeo shares, representing 3.23% of the share capital.

These shares are held for presentation under certain stock option plans and employee free share plans. They have been allocated in accordance with CNC recommendation no. 2008-17 at net value and break down as follows:

(In thousands of euros)	Number of shares	Cost price per share	Total gross value	Impairment	Net value
• Shares allocated to specific plans	2,250,248	33.93	76,348	3,148 [1]	73,200
TOTAL	**2,250,248**		**76,348**	**3,148**	**73,200**

(1) The impairment was recognized on the transfer of shares from the account "Shares not allocated to specific plans" to the account "Shares allocated to specific plans".

During 2016, a non-recurring gain of €1,831 thousand was generated on the exercise of share purchase options and the grant of free shares to employees based on the historical cost price of shares (See Note 13).

This loss was offset by a provision reversal of €2,249 thousand.

A liability provision of €4,140 thousand was recognized in respect of shares allocated to specific plans.

Key features of current plans

	2006 Plan	2007 Plan	2008/1 Plan	2008/2 Plan	2009 Plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan
Total number of shares available for subscription or purchase *	**192,564**	**278,850**	**76,824**	**370,134**	**131,329**	**463,071**	**330,209**	**184,122**	**411,755**	**350,956**	**287,394**	**120,425**
Total number of shares subscribed or purchased as of 12/31/2016	(191,911)				(45,505)	(52,677)	(10,569)	(20,786)				
Share subscription or purchase options cancelled during the year	(653)				-				-			
Share subscription or purchase options as of 12/31/2016	**-**	**278,850**	**76,824**	**370,134**	**85,824**	**410,394**	**319,640**	**163,336**	**411,755**	**350,956**	**287,394**	**120,425**
Date of creation of options	27/06/06	04/06/07	05/02/08	20/05/08	02/06/09	10/05/10	31/05/11	14/05/12	07/05/13	17/06/14	29/06/15	13/05/16
Beginning of exercise period	28/06/10	04/06/11	05/02/12	20/05/12	06/02/13	05/10/14	05/31/15	05/14/16	(1)	(2)	(3)	(4)
Expiry date	27/06/16	04/06/17	05/02/18	20/05/18	01/06/19	10/05/20	31/05/21	14/05/22	07/05/23	17/06/24	29/06/25	13/05/26
Discount	-	-	-	-	-	-	-	-	-	-	-	
Strike price (adjusted)	**47.67**	**71.90**	**48.70**	**55.10**	**22.33**	**35.02**	**40.77**	**28.62**	**31.96**	**55.11**	**57.58**	**57.90**
Free shares (adjusted) granted as of 12/31/2016											**44,226**	**175,593**
Free preference shares (adjusted) granted as of 12/31/2016											**15,469**	

* *Balance as of 12/31/2015 (2015 Registration Document) adjusted for the exceptional distribution paid on May 19, 2016 and the grant of one bonus share for 20 existing shares performed on May 20, 2016.*

(1) *Options may be exercised from May 7, 2017. They vest progressively, the first half in 2015, the third quarter in 2016 and the fourth quarter in 2017, subject to performance conditions.*
(2) *Options may be exercised from June 17, 2018. They vest progressively, the first half in 2016, the third quarter in 2017 and the fourth quarter in 2018, subject to performance conditions.*
(3) *Options may be exercised from June 29, 2019. They vest progressively, the first half in 2017, the third quarter in 2018 and the fourth quarter in 2019, subject to performance conditions.*
(4) *Options may be exercised from May 13, 2020. They vest progressively, the first half in 2018, the third quarter in 2019 and the fourth quarter in 2020, subject to performance conditions.*

Share value adopted as the basis for the 30% contribution

The calculation basis for the contribution on stock option plans granted in 2016 was €1,272 thousand and €5,965 thousand for the free share plan.

Conditions governing the exercise of share purchase options

The conditions governing the vesting and exercise of options in 2016 are described below.

The share purchase options granted (the "Options") will vest by tranches, in three successive vesting periods subject to the continued employment of the beneficiary by the Company at the end of the relevant vesting period:

- the first tranche (one-half) of the Options will vest after two years, *i.e.* on May 13, 2018;
- the second tranche (third quarter) of the Options will vest after three years, *i.e.* on May 13, 2019;
- the third tranche (final quarter) of the Options will vest after four years, *i.e.* on May 13, 2020.

In addition, if the beneficiary of the Options has not been employed by the Company for at least four years at the end of one of the above-mentioned vesting periods, the Options corresponding to such period will vest in favor of the beneficiary only when the beneficiary has been employed by the Company for four years.

The exercise of all the options granted to members of the Executive Board and the Executive Committee and Investment Officers is subject to the attainment of performance conditions assessed at the end of the last vesting period, *i.e.* on May 13, 2020. For other beneficiaries, the exercise of half of the options is subject to the attainment of these performance conditions

Eurazeo's Performance will be assessed using a matrix incorporating the relative stock market performance after adding back dividends compared with the CAC 40 index and the performance of Eurazeo's NAV over a four-year period based on a comparison of the NAV per share in absolute terms at the grant date and the NAV per share in absolute terms as of May 12, 2020, increased for ordinary dividends paid over the same period.

Conditions governing the vesting of free shares – 2016 Plan

The free share plan provides, in particular, for a three-year vesting period, with the shares vesting at the end of this period only if the beneficiary is still employed by the Company except in the event of death, retirement or disability.

The plan rules also stipulate that the number of shares granted shall be adjusted in the event of transactions in the Company's share capital in order to protect the rights of beneficiaries.

On the grant of share purchase options in 2016, each beneficiary was offered the possibility to receive, if they so wished, one free share in exchange for three options.

The vesting of the free shares granted to holders of stock options is subject to the Eurazeo performance condition detailed above for the share purchase options plans, determined over a period of three years commencing the date of grant of the shares.

NOTE 5 PREPAYMENTS AND DEFERRED CHARGES

(In thousands of euros)	12/31/2016	12/31/2015
Prepaid expenses	583	549
TOTAL	**583**	**549**

NOTE 6 EQUITY

	Number of shares	Amount *(in thousands of euros)*
EQUITY AS OF DECEMBER 31, 2015	**70,157,408**	**3,841,811**
Dividend distribution	-	(84,189)
Cancellation of the dividend distribution on treasury shares	-	4,537
Exceptional dividend distribution	-	(84,189)
Cancellation of the exceptional dividend distribution on treasury shares	-	4,537
Free share grant	3,507,870	-
Share capital decrease by cancellation of treasury shares	(3,969,449)	(211,628)
Issue of class B preference shares	8,265	-
Net income for the year ended December 31, 2016	-	389,611
EQUITY AS OF DECEMBER 31, 2016	**69,704,094**	**3,860,490**

As of December 31, 2016, the share capital comprised 69,695,829 ordinary shares and 8,265 class B preference shares.

NOTE 7 PROVISIONS FOR CONTINGENCIES AND LOSSES

(In thousands of euros)	12/31/2015	Charge	Reversal used	Reversal not used	12/31/2016
Provisions for contingencies	(2,342)	(3,047)	418	-	(4,971)
Provisions for losses	(69,674)	(81,122)	27,389	-	(123,407)
TOTAL	**(72,016)**	**(84,168)**	**27,807**	**-**	**(128,378)**

Provisions for contingencies

The contingency provision recognized in respect of Eurazeo treasury shares earmarked for grant to employees, covering the risk of any loss between the net carrying amount of the shares after allocation and the stock option strike price, totaled €4,140 thousand as of December 31, 2016.

A contingency provision was recognized in respect of the Groupe B&B Hotels management-agent dispute, following the €10.5 million specific vendor warranty granted by Eurazeo on the sale of its investment. The provision of €830 thousand as of December 31, 2016 represents the best estimate of the risk and the probability of the warranty being called based on information available to Eurazeo at the balance sheet date.

Provisions for losses

A provision of €9,342 thousand was recognized in respect of 2016 variable compensation (including related social security contributions and taxes) payable in 2017. The prior year provision of €10,668 thousand was reversed during the year.

An additional provision for retirement benefits of €15,084 thousand was recognized to cover the increase in the obligation in respect of top-up pensions during the year. A reversal of €16,720 thousand was recognized following the cancellation of the 45% tax rate. The provision for retirement benefits is therefore €15,122 thousand as of December 31, 2016.

A provision of €98.9 million is recognized in liabilities, €56.7 million of which was booked during the year. This provision covers the total upside payment due by Eurazeo to Investco 5 Bingen in respect of the unwinding of the 2009-2011 co-investment program in the first quarter of 2017. Given the terms of the co-investment contract, the definitive amount of this upside payment will only be known shortly before payment, as it is calculated based on the definitive Net Asset Value (NAV) as of December 31, 2016.

(In thousands of euros)	12/31/2016	12/31/2015
Provision movement		
Net (liability)/asset recognized at the beginning of the year	(16,759)	(10,484)
Charge for the year	(3,363)	(16,274)
Employer contributions	5,000	10,000
Net (liability)/asset recognized at the end of the year	**(15,122)**	**(16,758)**
Reconciliation of Off-balance sheet/Balance sheet amounts at the year end		
Actuarial liability	(56,211)	(78,251)
Fair value of plan assets	41,089	54,093
Net funding surplus/(deficit)	(15,122)	(24,158)
Total actuarial gains/(losses) not recognized	-	-
Unrecognized past service cost	-	(7,401)
Net (liability)/asset recognized at the end of the year	**(15,122)**	**(16,758)**
Assumptions		
Discount rate	1.3%	1.8%
Rate of pay increase	2.0%	2.0%
Pension calculation minimum rate of return	0.3%	0.5%
Retirement age	62 years	64 years
Mortality table	TGF05/TGH05	TGF05/TGH05
Rate of return on plan assets	1.3%	1.8%

T (tables) G (by generation), H or F (by sex) determined based on observed data up to 2005 (05).

NOTE 8 ORDINARY INCOME

(In thousands of euros)	2016	2015
Sphynx (Foncia)	271,973	-
Legendre Holding 19 (Accor)	-	265,723
ECIP M (Moncler)	147,487	225,568
Eurazeo PME	1,600	-
ANF Immobilier	11,899	10,026
Gruppo Banca Leonardo	10,102	6,061
Atalante (Capzanine)	352	-
Eurazeo Management Lux	-	1,935
Legendre Holding 29 (Desigual)	-	2,529
Elis	317	1,214
Eurazeo Services Lux	-	558
Interest on receivables and bond interest	7,409	7,651
Income from investments	**451,140**	**521,267**
Income from marketable securities	**6,614**	**6,142**
Other income	**12,250**	**9,075**
TOTAL	**470,004**	**536,484**

NOTE 9 ORDINARY EXPENSES

(In thousands of euros)	2016	2015
Employee benefits expense	**(32,362)**	**(29,737)**
Taxes and levies	**(3,961)**	**(3,878)**
Other purchases and expenses	**(23,073)**	**(26,780)**
Financial expenses	**(3,395)**	**(3,448)**
Commission	*(2,557)*	*(2,557)*
Interest under Group cash management agreements	*(838)*	*(891)*
TOTAL	**(62,791)**	**(63,844)**

NOTE 10 SALES OF FINANCIAL ASSETS

(In thousands of euros)	Selling price	Cost price	Gross capital gain (loss)
Capital gains (losses) on sales of investments	**554,945**	**(526,950)**	**11,882**
Elis	43,185	(30,647)	12,538
Sphynx (Foncia)	217,071	(217,071)	-
Asmodee Holding	65,529	(32,345)	33,184
Legendre Holding 35 (In Vivo)	29,055	(26,087)	2,967
Legendre Holding 44 (Fintrax)	55,832	(53,899)	1,934
Graduate (Sommet Education)	52,294	(51,496)	799
LH Novacap	36,812	(36,272)	540
Legendre Holding 47 (LPCR)	15,237	(14,877)	360
SCI Les Varennes	488	(118)	370
Legendre Holding 29 (Desigual)	39,063	(63,753)	(24,690)
Euraleo[1]	-	-	(16,113)
Other securities	379	(386)	(7)
Capital gains (losses) on sales of other financial assets	**25,023**	**(24,690)**	**332**
Grandir (LPCR)	19,872	(19,964)	(92)
Legendre Holding 47 (LPCR)	4,599	(4,638)	(39)
Asmodee II	552	(89)	463
TOTAL	**579,968**	**(551,640)**	**12,214**

(1) Comprehensive asset transfer.

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NOTE 11 OTHER FINANCIAL INCOME AND EXPENSES

(In thousands of euros)	2016	2015
Rebilled investment expenses	**10,581**	**12,813**
TOTAL	**10,581**	**12,813**

NOTE 12 CHARGES TO AND REVERSALS OF IMPAIRMENT OF FINANCIAL ASSETS AND NON-RECURRING CHARGES AND REVERSALS

(In thousands of euros)	Charge	Reversal
Legendre Holding 29 (Desigual)	-	31,205
Eurazeo Real Estate Lux	(2,298)	
Eurazeo Service Lux	-	66
Gruppo Banca Leonardo	(4,450)	-
Legendre Holding 26 (I-Pulse)	(5,519)	-
Euraleo	-	16,113
Carryco Croissance	(327)	-
ECIP SPW	(25)	-
Sub-total investments and related receivables	**(12,618)**	**47,384**
Financière Truck Investissement (bonds)	(1,575)	-
Sub-total other securities holdings	**(1,575)**	**-**
Provisions for contingencies and losses	(56,695)	-
Sub-total net financial expense	**(70,888)**	**47,384**
Impairment of treasury shares	(601)	1,081
Contingency provisions on treasury shares	(3,047)	418
Sub-total non-recurring charges and reversals	**(3,648)**	**1,499**
TOTAL	**(74,535)**	**48,882**

NOTE 13 RELATED-PARTY TRANSACTIONS

All transactions entered into by Eurazeo with related parties were performed on an arm's length basis.

NOTE 14 COMPENSATION OF CORPORATE OFFICERS AND AVERAGE NUMBER OF EMPLOYEES

CORPORATE OFFICER COMPENSATION

(In thousands of euros)	2016	2015
Compensation paid to members of the Executive Board	4,144	4,051
Attendance fees allocated to members of the Supervisory Board	657	713

AVERAGE FULL-TIME EQUIVALENT NUMBER OF EMPLOYEES (INCLUDING EXECUTIVE CORPORATE OFFICERS)

	2016	2015
Average number of employees	74	63

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NOTE 15 NON-RECURRING INCOME AND EXPENSES

(In thousands of euros)	Note	2016	2015
Capital losses realized on the exercise of stock options and free share grants	4	(1,210)	(3,890)
Capital losses realized on the liquidity contract		(919)	(869)
Gifts		-	(1,000)
Other		(93)	(160)
Non-recurring expenses		**(2,222)**	**(5,920)**
Capital gains realized on the liquidity contract		996	1,100
Capital gains realized on the exercise of stock options and free share grants		3,040	8,929
Rebilling of free share plans to subsidiaries		716	287
Other		615	-
Non-recurring income		**5,367**	**10,316**
TOTAL		**3,145**	**4,396**

NOTE 16 TAXES

The standard rate income tax expense recognized by Eurazeo in respect of 2016 breaks down as follows:

(In thousands of euros)	2016	2015
On asset management operations		
Standard rate income tax	(29)	2,790
Offset of prior year losses	16	(1,625)
Additional 3.3% contribution	-	-
Sub-total	**(13)**	**1,165**
On financial transactions		
Standard rate income tax	(2,974)	(1,799)
Offset of prior year losses	1,637	1,004
Additional 3.3% contribution	(24)	-
Sub-total	**(1,360)**	**(795)**
On non-recurring transactions		
Standard rate income tax	(334)	(2,726)
Offset of prior year losses	184	1,603
Additional 3.3% contribution	(2)	-
Difference in tax rates	716	100
Tax consolidation gain	528	-
Withholding tax on distributions	(4,783)	(2,420)
Sub-total	**(3,692)**	**(3,444)**
TOTAL	**(5,066)**	**(3,074)**

Eurazeo formed a tax group on January 1, 2001.

The taxable income (loss) of tax group companies for the year ended December 31, 2016 is as follows:

(In thousands of euros) **Tax group companies**	**Taxable income (loss) of tax group companies in the absence of tax grouping 12/31/2016**
Eurazeo Patrimoine	375
Eurazeo PME	337
Eurazeo PME Capital	(1,466)
LH APCOA	(69)
Legendre Holding 21	(6)
Legendre Holding 23	(2)
Legendre Holding 25	(1,679)
Legendre Holding 37	(3)
Legendre Holding 38	(3)

The income tax expense is calculated based on the taxable income (loss) of each company, as if the Company were not included in the tax group.

Tax savings associated with tax losses (losses generated by subsidiaries during tax grouping likely to be offset against future income, internal capital gains rolled-over, etc.) are neutralized in the parent company's accounts and accordingly are not reported in the income statement.

Definitive gains are recognized in profit and loss. Accordingly, Eurazeo recognized a tax consolidation gain of €528 thousand in 2016.

As of December 31, 2016, the tax group consisting of Eurazeo and its subsidiaries had carried tax forward losses of €76,646 thousand.

NOTE 17 OFF-BALANCE SHEET COMMITMENTS

In accordance with current accounting standards, all material Eurazeo commitments (excluding those relating to shareholder agreements covered by confidentiality agreements) are listed below:

Colyzeo

On April 18, 2007, in the context of the Colyzeo II credit facility, Eurazeo provided a guarantee of up to €60 million to Colyzeo Capital II LLP covering commitments given by Eurazeo Real Estate Lux. This guarantee reduces as payments are made. As of December 31, 2016, the Company no longer had any commitment in respect of this guarantee.

Syndicated credit facility

On June 27, 2014, Eurazeo secured a five-year €1 billion loan with a banking syndicate, which was extended on two occasions by one year, *i.e.* until June 27, 2021. As of December 31, 2016, this loan had not been drawn and the total commitment received by Eurazeo stood at €1 billion.

Commitments received from Carryco Capital I

Carryco Capital 1 undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2014 to December 31, 2017 (potentially extended one year to December 31, 2018) in the amount of 10% of the total investment planned by Eurazeo. In addition, Carryco Capital 1 undertook to share with the private individual shareholders any capital gain realized on these investments in accordance with the terms set out in the "Accounting principles and methods" note.

Commitments received from Carryco Croissance

Pursuant to the signature of an investment protocol on December 29, 2014, Carryco Croissance undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2012 to December 31, 2013 in the amount of 10% of the total investment planned by Eurazeo. In addition, Carryco Croissance undertook to share with the private individual shareholders any capital gain realized on these investments in accordance with the terms set out in the "Accounting principles and methods" note.

Commitments received from Carryco Croissance 2

Pursuant to the signature of an investment protocol on June 29, 2015, Carryco Croissance 2 undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period January 1, 2015 to December 31, 2017 (potentially extended one year to December 31, 2018) in the amount of 10% of the total investment planned by Eurazeo. In addition, Carryco Croissance 2 undertook to share with the private individual shareholders any capital gain realized on these investments in accordance with the terms set out in the "Accounting principles and methods" note.

Commitments received from Carryco Patrimoine

Pursuant to the signature of an investment protocol on July 30, 2015, Carryco Patrimoine undertook to invest alongside Eurazeo in all investments performed by the latter under the co-investment program defined in the protocol during the period July 1, 2015 to December 31, 2017 (potentially extended one year to December 31, 2018) in the amount of 10% of the total investment planned by Eurazeo. In addition, Carryco Patrimoine undertook to share with the private individual shareholders any capital gain realized on these investments in accordance with the terms set out in the "Accounting principles and methods" note.

Fund portfolio

As part of its disposal of the fund portfolio, Eurazeo entered into various agreements setting out disposal procedures for these portfolios. These agreements contained a number of standard declarations and guarantees. All these guarantees have now expired, with the exception of the compensation clause concerning the Baker II agreement which is not subject to a time limit. However, no claims may exceed the transaction amount.

ANF Immobilier Hotels

Under the terms of a shareholders' agreement signed on June 25, 2014 between ANF Immobilier, Eurazeo and Midi Patrimoine, Eurazeo undertook to make an equity contribution to ANF Immobilier Hotels' current account, up to a maximum amount of €22.7 million. The residual commitment as of December 31, 2016 is €3.8 million. The repayment of these current account receivables is subordinate (in capital, interest and incidental amounts) to the repayment of amounts due by ANF Immobilier Hotels to lenders under a loan agreement dated June 27, 2014 between ANF Immobilier Hotels as borrower, Caisse d'Epargne et de Prévoyance Provence Alpes Corse as lender, agent, security agent, bookrunner and arranger, BPI and CIC as lenders, ANF Immobilier, Eurazeo and Midi Patrimoine as partners of the borrower and Natixis as hedging bank.

Pursuant to a loan agreement dated June 27, 2014 between ANF Immobilier Hotels as borrower, Caisse d'Epargne et de Prévoyance Provence Alpes Corse as lender, agent, security agent, book runner and arranger, BPI and CIC as lenders, ANF Immobilier, Eurazeo and Midi Patrimoine as partners of the borrower and Natixis as hedging bank, Eurazeo undertook to retain the shares it holds in ANF Immobilier Hotels throughout the term of the loan, that is until June 27, 2021. This commitment expired on the sale of the shares in January 2017.

Groupe B&B Hotels

Pursuant to the sale to Carlyle of Groupe B&B Hotels (GBB) shares on September 28, 2010, Eurazeo granted a number of warranties:

- a general warranty covering standard declarations concerning all Groupe B&B Hotels companies;
- a specific warranty covering risks relating to current or future management-agent disputes notified before March 31, 2012; compensation payable under this warranty is capped at €14.6 million, and the maximum portion attributable to Eurazeo based on its direct and indirect investment in GBB is €10.5 million;
- a specific warranty covering tax risks capped at €16 million and expiring at the end of the applicable limitations period; the maximum portion attributable to Eurazeo based on its direct and indirect investment in GBB is €11.5 million, partially covered by an insurance policy purchased in this respect.

Eurazeo Real Estate Lux

As part of the guarantee covering Eurazeo Real Estate Lux's investment in Colyzeo II, Eurazeo undertook to hold directly or indirectly the entire share capital of Eurazeo Real Estate Lux.

ANF Immobilier

Pursuant to the acquisition by Immobilière Bingen of ANF Immobilier shares, a vendor warranty agreement was entered into on March 1, 2005 with Finaxa, the seller of the ANF Immobilier shares. Following the dissolution without liquidation of Immobilière Bingen and the comprehensive transfer of its assets to Eurazeo, Eurazeo assumed all the rights and obligations of Immobilière Bingen under this agreement. This warranty has expired, except in respect of certain real estate assets for which the warranty is unlimited, both in amount and in duration and for certain claims relating to tax, mandatory payment, social security and customs issues, which are not statute barred.

SCI CIFA Asset

On June 30, 2015, SCI CIFA Asset signed a finance lease agreement for the acquisition of real estate assets in Aubervilliers. This finance lease agreement includes a commitment by Eurazeo to hold, directly or indirectly, at least 75% of the share capital and voting rights of SCI CIFA Partners for a period of 12 years, that is, until June 29, 2027.

Legendre Holding 47 (LPCR)

Pursuant to the acquisition of an investment in the LPCR group, Eurazeo entered into a shareholders' agreement on March 29, 2016 with Legendre Holding 47, Jean-Emmanuel Rodocanachi, Athina Conseil and Bpifrance. Under the terms of this agreement, Eurazeo granted sales commitments covering all its shares exercisable under certain circumstances in favor of Jean-Emmanuel Rodocanachi and Athina Conseil.

Pursuant to the acquisition of an investment in the LPCR group, Eurazeo holds specific vendor warranties granted by Athina Conseil.

CPK (Mondelez)

Pursuant to the acquisition of a portfolio of assets in the confectionery and chocolate sector by its subsidiary CPK SAS, Eurazeo undertook vis-à-vis Mondelez group that it would ensure CPK SAS fulfills its obligations under the acquisition contract up to a maximum amount of €240 million to September 30, 2017.

Elis

Eurazeo undertook to subscribe, in the amount of its preferential subscription right (*i.e.* approximately €2.5 million), to the share capital increase scheduled by Elis for the first quarter of 2017.

Co-investment contracts

The 2009-2011 co-investment program through the partnership Investco 5 Bingen expired in December 2016 due to (i) the disposals performed in 2016, which led to more than 50% of investments being considered sold during the period under the terms of the applicable contract and (ii) the attainment of the preferential return of 6%. Eurazeo therefore has three related commitments as of December 31, 2016:

- following the exercise of call options resulting in the purchase of Investco 5 Bingen shares from managers having left the Group, Eurazeo has an obligation to pay an upside payment corresponding to all distributions and income that Eurazeo will receive from the partnership Investco 5 Bingen. As of December 31, 2016, Eurazeo holds 1,227,406 shares acquired at a price of one euro per shareholder;
- to facilitate the unwinding of this program, Eurazeo also issued a firm repurchase offer expiring on January 13, 2017 for shares in the partnership Investco 5 Bingen held by other Investco 5 Bingen shareholders. This offer represents a maximum amount payable of €69.3 million based on the NAV as of December 12, 2016, of which €41.2 million has already been paid as of December 31, 2016 for the acquisition of 1,577,711 shares from certain partners;
- Eurazeo is committed to paying a total upside payment to Investco 5 Bingen representing 10% of the capital gain on the investments concerned, based on the Net Asset Value (NAV) as of December 31, 2016, within 30 days of the date of acceptance by the partnership Investco 5 Bingen of the amount of the total upside payment that will be communicated by Eurazeo after determining the NAV. This commitment is provided in the accounts as of December 31, 2016 in the amount of €98.9 million. However, following the repurchase of the aforementioned shares, Eurazeo will receive all amounts distributed by Investco 5 Bingen in respect of these shares.

Pledges of the issuer's assets (intangible assets, property, plant and equipment and long-term financial assets)

None.

SUMMARY SCHEDULE OF OFF-BALANCE SHEET COMMITMENTS GIVEN

(In millions of euros)	12/31/2016	12/31/2015
Counter guarantees given	-	-
Assigned receivables not due (Dailly forms, etc.)	-	-
Pledges, mortgages and collateral	-	-
• Legendre Holding 27 securities	-	464.8
• Asmodee Holding securities	-	131.0
• Asmodee II securities	-	0.1
Sureties, deposits and guarantees given	-	3.0
Vendor warranties	15.5	15.5
Investment commitments given	-	-
• ANF Immobilier Hôtels	3.8	4.4
• Capzannine	-	100.0
• Elis	2.5	-

SUMMARY SCHEDULE OF OFF-BALANCE SHEET COMMITMENTS RECEIVED

(In millions of euros)	12/31/2016	12/31/2015
Counter guarantees received	-	-
Assigned receivables not due (Dailly forms, etc.)	-	-
Sureties, deposits and guarantees received	-	-
Other funding commitments received	1,000.0	1,000.0

NOTE 18 POST BALANCE SHEET EVENTS

Post balance sheet events are presented in the Management Report.

5.3.4 INVESTMENT PORTFOLIO

(In thousands of euros)	Number of shares held	% share capital held	Cost price Gross	Cost price Impairment	Cost price Net	Stock market value or cost price[(1)]	Gross unrealized capital gain (loss)
Investments							
Europcar Groupe	60,544,838	42.2	530,859	-	530,859	566,536	35,677
Legendre Holding 27 (Elis)	46,479,590	82.8	464,796	-	464,796	464,796	-
LH Apcoa	40,111,547	100.0	401,115	(398,342)	2,773	2,773	-
ECIP M	2,891,900	83.3	75,189	-	75,189	75,189	-
Legendre Holding 19 (Accor)	247,954	86.3	151,490	-	151,490	151,490	-
Elis	906,864	0.8	10,851	-	10,851	14,109	3,258
Gruppo Banca Leonardo	50,511,074	18.3	80,950	(54,042)	26,908	26,908	-
Eurazeo PME Capital	10,542,988	100.0	113,552	-	113,552	113,552	-
Eurazeo PME	10,930	100.0	9,706	-	9,706	9,706	-
RedBirds Participations US LP	-	100.0	145,995	(145,995)	-	-	-
Eurazeo Real Estate Lux	1,939,729	100.0	146,110	(67,576)	78,534	78,534	-
Legendre Holding 21 (IES)	2,805,500	100.0	28,055	-	28,055	28,055	-
Legendre Holding 25 (Fonroche)	5,533,700	100.0	55,337	-	55,337	55,337	-
Legendre Holding 23 (3S Group)	6,953,570	100.0	69,536	(66,782)	2,754	2,754	-
Legendre Holding 26 (I-Pulse)	3,378,330	90.0	33,783	(5,519)	28,264	28,264	-
Legendre Holding 29 (Desigual)	19,435,555	67.0	194,356	(95,130)	99,226	99,226	-
Asmodee Holding	986,052,856	53.9	98,605	-	98,605	98,605	-
Legendre Holding 34 (Younited)	182,402	81.0	17,192	-	17,192	17,192	-
Legendre Holding 35 (Neovia)	7,952,969	67.8	79,530	-	79,530	79,530	-
Legendre Holding 36 (IM Square)	820,665	90.0	8,207	-	8,207	8,207	-
Legendre Holding 42 (Vestiaire Collective)	1,819,215	90.0	18,192	-	18,192	18,192	-
Legendre Holding 43 (PeopleDoc)	1,543,077	90.0	15,431	-	15,431	15,431	-
Legendre Holding 44 (Fintrax)	21,880,135	72.2	218,801	-	218,801	218,801	-
Legendre Holding 47 (LPCR)	45,341,309	61.3	45,341	-	45,341	45,341	-
Legendre Holding 51 (Farfetch)	1,604,078	90.0	16,041	-	16,041	16,041	-
LH Novacap	11,056,621	67.8	110,566	-	110,566	110,566	-
Graduate (Sommet Education)	692,996	67.8	156,989	-	156,989	156,989	-
ANF Immobilier	9,596,267	52.6	49,377	-	49,377	191,633	142,256
Financière Truck Investissement	16,586,862	14.2	36,621	(36,621)	-	-	-
SFGI	23,691	94.8	3,389	-	3,389	3,389	-
Eurazeo Services Lux	18,000	100.0	1,535	(423)	1,113	1,113	-
Eurazeo Patrimoine	240,000	100.0	24,646	-	24,646	24,646	-
Carryco Capital 1	120,335,912	92.4	120,336	-	120,336	120,336	-
Carryco Croissance	6,744,000	96.2	6,673	(327)	6,346	6,346	-
Carryco Croissance 2	8,019,944	88.9	8,020	-	8,020	8,020	-
Carryco Patrimoine	13,995,520	92.1	13,996	-	13,996	13,996	-
Atalante (Capzannine)	88,000	22.0	5,195	-	5,195	5,195	-
Other securities	-	-	1,157	(166)	991	991	-
TOTAL INVESTMENTS			**3,567,521**	**(870,924)**	**2,696,597**	**2,877,788**	**181,191**

(In thousands of euros)	Number of shares held	% share capital held	Cost price			Stock market value or cost price (1)	Gross unrealized capital gain (loss)
			Gross	Impairment	Net		
Portfolio securities							
Unlisted direct investments							
Eurazeo Partners	25,000	7.2	25,000	-	25,000	25,000	-
Eurazeo Partners B	9,625	6.2	9,672	-	9,672	9,672	-
Total portfolio securities			**34,672**	**-**	**34,672**	**34,672**	
Other securities holdings							
Raise	9,000,000	3.4	9,000	-	9,000	9,000	-
FCPI Capzanine 4- A shares	700,000	n/a	70,000	-	70,000	70,000	-
FCPI Capzanine Private Debt – A shares	200,000	n/a	30,000	-	30,000	30,000	-
Grandir – convertible bonds [2]	34,065	n/a	35,622	-	35,622	35,622	-
LH 47 – convertible bonds [2]	13,566	n/a	14,163	-	14,163	14,163	-
Financière Truck – Bonds [2]	8,521,699	n/a	18,219	(18,219)	-	-	-
Financière Truck – PECS [2]		n/a	6,039	(6,039)	-	-	-
Financière Truck – D bonds [2]	2,666,667	n/a	5,051	(5,051)	-	-	-
Investco 4 i Bingen	4,516,947	95.5	30	-	30	30	-
Investco 5 Bingen	3,008,551	73.6	41,366	-	41,366	41,366	-
OFI PEC 2		n/a	1,534	(83)	1,452	1,452	-
FCPI Eurazeo PME II Co-invest B shares		n/a	85	-	85	85	-
Other		-	78	(4)	74	74	-
Treasury shares	217,174	0.3	11,919	-	11,919	11,919	-
Total other securities holdings			**243,107**	**(29,396)**	**213,712**	**213,712**	**(0)**
Loans							
Other loans		n/a	38		38	38	-
Total loans			**38**	**-**	**38**	**38**	
Marketable securities [2]			467,173	-	467,173	468,061	888
Treasury shares	2,250,248	3.2	76,348	(3,148)	73,201	73,201	-
Total marketable securities			**543,521**	**(3,148)**	**540,374**	**541,262**	**888**
TOTAL INVESTMENT PORTFOLIO			**4,388,859**	**(903,467)**	**3,485,393**	**3,667,472**	**182,079**

(1) Stock market value based on the average share price in December 2016.
(2) Including accrued interest.

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5.3.5 SUBSIDIARIES AND INVESTMENTS

(In thousands of euros)

December 31, 2016	Share capital	Equity excluding share capital and net income	% share capital held	Carrying amount of shares held	
				Gross	Net
DETAILED INFORMATION ON INVESTMENTS WITH A CARRYING AMOUNT IN EXCESS OF 1% OF THE SHARE CAPITAL					
Subsidiaries (50% or more of the share capital)					
S.F.G.I. 1, rue Georges Berger 75017 Paris Siret: 542 099 072 00184	3,813	3,589	94.8	3,389	3,389
Carryco Capital 1 1, rue Georges Berger 75017 Paris Siret: 805 097 763 00025	130,286	(13,867)	92.4	120,336	120,336
Carryco Croissance 1, rue Georges Berger 75017 Paris Siret: 808 352 777 00029	7,010	(63,901)	96.2	6,673	6,673
Carryco Croissance 2 1, rue Georges Berger 75017 Paris Siret: 812 134 765 00021	9,020	-	88.9	8,020	8,020
Carryco Patrimoine 1, rue Georges Berger 75017 Paris Siret: 810 995 969 00021	15,196	(28)	92.1	13,996	13,996
Legendre Holding 19 1, rue Georges Berger 75017 Paris Siret: 499 405 678 00024	719	307,647	86.3	151,490	151,490
Legendre Holding 21 1, rue Georges Berger 75017 Paris Siret: 500 441 209 00029	28,055	(51)	100.0	28,055	28,055
Legendre Holding 23 1, rue Georges Berger 75017 Paris Siret: 504 393 950 00028	4,867	(2,114)	100.0	69,536	2,754
Legendre Holding 25 1, rue Georges Berger 75017 Paris Siret: 504 390 907 00021	55,337	(313)	100.0	55,337	55,337
Legendre Holding 26 1, rue Georges Berger 75017 Paris Siret: 532 351 913 00027	37,537	(579)	90.0	33,783	28,264
Legendre Holding 27 1, rue Georges Berger 75017 Paris Siret: 532 862 877 00026	561,510	11,280	82.8	464,796	464,796
Legendre Holding 29 1, rue Georges Berger 75017 Paris Siret: 534 019 005 00022	290,037	(141,045)	67.0	194,356	99,226
Asmodee Holding 18 rue Jacqueline Auriol 78280 Guyancourt Siret: 798 660 833 00020	182,967	(6,119)	53.9	98,605	98,605
Legendre Holding 34 1, rue Georges Berger 75017 Paris Siret: 801 006 875 00026	225	20,622	81.0	17,192	17,192
Legendre Holding 35 1, rue Georges Berger 75017 Paris Siret: 801 006 966 00023	117,352	1,098	67.8	79,530	79,530
Legendre Holding 36 1, rue Georges Berger 75017 Paris Siret: 799 308 341 00038	9,119	(129)	90.0	8,207	8,207

Loans and advances granted by the Company	Deposits and guarantees given	Revenue* for the last fiscal year	Net income (loss) for the last fiscal year	Dividends recorded in the last fiscal year	Observations [1]
-	-	-	(22)	-	12/31/2015
-	-		4,777	-	12/31/2016
-	-	-	(628)	-	12/31/2016
1,546	-		(85)		12/31/2016
3,512	-	-	(30)	-	12/31/2016
-	-	12,234	40	-	12/31/2016
900	-	-	(6)	-	12/31/2016
-	-	-	(2)	-	12/31/2016
-	-	-	(1,583)	-	12/31/2016
-	-	-	(5,554)	-	12/31/2016
-	-	7,203	111,606	-	12/31/2016
-	-	-	(272)	-	12/31/2016
-	-	-	(5,047)	-	12/31/2015
-	-	-	(7)	-	12/31/2016
-	-	-	113	-	12/31/2016
25,712	-	-	15	-	12/31/2016

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(In thousands of euros)

December 31, 2016	Share capital	Equity excluding share capital and net income	% share capital held	Carrying amount of shares held	
				Gross	Net
Legendre Holding 42 1, rue Georges Berger 75017 Paris - Siret: 812 012 565 00022	20,214	-	90.0	18,192	18,192
Legendre Holding 43 1, rue Georges Berger 75017 Paris - Siret: 813 676 475 00029	17,145	-	90.0	15,431	15,431
Legendre Holding 44 1, rue Georges Berger 75017 Paris - Siret: 813 676 533 00025	303,000	-	72.2	218,801	218,801
Legendre Holding 47 1, rue Georges Berger 75017 Paris - Siret: 815 282 595 00025	73,933	130	61.3	45,341	45,341
Eurazeo Patrimoine 1, rue Georges Berger 75017 Paris - Siret: 451 229 744 00037	2,400	21,819	100.0	24,646	24,646
LH Apcoa 1, rue Georges Berger 75017 Paris - Siret: 487 476 749 00030	4,813	(490)	100.0	401,115	2,773
RedBirds US LP (2) - C/O Corporation Trust Center 1209 Orange Street, Wilmington, DE 19801	149,809	687	100.0	145,995	-
Eurazeo Real Estate Lux 25C, Boulevard Royal - L 2449 Luxembourg	19	80,812	100.0	146,110	78,533
ECIP M 25C, Boulevard Royal - L 2449 Luxembourg	1,000	(84,868)	83.3	75,189	75,189
Graduate (3) 25C, Boulevard Royal - L 2449 Luxembourg	954	236,101	67.8	156,989	156,989
Eurazeo PME 1, rue Georges Berger 75017 Paris - Siret: 414 908 624 00086	547	1,980	100.0	9,706	9,706
Eurazeo PME Capital 1, rue Georges Berger 75017 Paris - Siret: 642 024 194 00077	52,188	85,928	100.0	113,552	113,552
ANF Immobilier 1, rue Georges Berger 75017 Paris - Siret: 568 801 377 00157	19,009	242,459	50,5	49,377	49,377
Affiliates (10% to 50% of the share capital)					
Europcar Groupe SA 2, rue René Caudron - 78960 Voisins Le Bretonneux Siret: 489 099 903 00036	143,154	791,195	42.2	530,859	530,859
Gruppo Banca Leonardo 46 Via Broletto 20121 Milan	100,565	143,149	18.3	80,950	26,908
Atalante 242 rue de Rivoli 75001 Paris - Siret: 478 003 403 00019	400	1,600	22.0	5,195	5,195
Financière Truck Investissement - 9-11 rue du débarcadère 92700 Colombes -Siret: 492 851 266 00048	37,968	74,208	14.2	36,621	-
SUMMARY INFORMATION CONCERNING OTHER SUBSIDIARIES AND AFFILIATES WITH A CARRYING AMOUNT OF LESS THAN 1% OF THE SHARE CAPITAL OF THE COMPANY					
Subsidiaries not included above					
a) French entities	-	-	-	-	-
b) Non-French entities	-	-	-	1,546	1,123
Affiliates not included above					
a) French entities	-	-	-	11,447	11,447
b) Non-French entities	-	-	-	548	548

(1) Closing date of benchmark fiscal years.
(2) Figures in thousands of US dollars translated at the exchange rate prevailing as of 12/31/2013 i.e. 1.3789.
(3) Figures in thousands of CHF translated at the exchange rate prevailing as of 12/31/2016 i.e. 0.9331.
** Or Ordinary income.*

Legendre Hoding 51 and LH Novacap are not included in the above table as they did not draw up financial statements for fiscal year 2016.

Loans and advances granted by the Company	Deposits and guarantees given	Revenue* for the last fiscal year	Net income (loss) for the last fiscal year	Dividends recorded in the last fiscal year	Observations[1]
9,900	-	-	(195)	-	12/31/2016
-	-	-	(60)	-	12/31/2016
-	-	-	(8)	-	12/31/2016
-	-	1,179	115	-	12/31/2016
-	-		(190)	-	12/31/2016
-	-	673	(110)	-	12/31/2016
22	-	-	-	-	12/31/2013
-	-		(2,298)	-	12/31/2016
-	-	51	178,733	147,487	12/31/2016
-	-	122	(14,437)	-	12/31/2016
-	-	13,438	1,812	1,600	12/31/2015
96,945	-	-	(1,466)	-	12/31/2016
-	-	23,874	3,339	11,899	12/31/2016
-	-	4,543	(119,633)	-	12/31/2015
-		89,796	3,070	10,102	12/31/2015
-	-	7,338	1,952	352	12/31/2015
-	-	4,885	(40,079)	-	12/31/2015
-		-	-	-	
-		-	-		
5,625		-	-	317	
5,630		-	-	-	

5.3.6 STATEMENT OF CASH FLOWS

(In thousands of euros)	2016	2015
Cash flows from operating activities		
Gross operating income from ordinary operations	407,213	472,640
Elimination of non-cash income and expense items	(7,366)	(17,628)
Change in operating WCR	410,030	153,520
Net cash flows from asset management operations	809,877	608,532
Other cash inflows and outflows from operating activities:		
• Other financial income and expenses	(3,294)	(5,550)
• Income tax expense	(5,066)	(3,074)
• Non-recurring operating income and expenses	(449)	641
• Other	3,145	(2,341)
Net cash from operating activities	**804,213**	**598,209**
Cash flows from investing activities		
Purchases of intangible assets and property, plant and equipment	(2,372)	(5,112)
Purchases of financial assets:		
• Investments	(361,097)	(472,696)
• Receivables from investments	(682,600)	(149,901)
• Other financial assets	(105,781)	(9,851)
Proceeds from sales of intangible assets and property, plant and equipment, net of tax	1,049	1,159
Proceeds from sales of financial assets, net of tax:		
• Investments	621,106	514,500
• Receivables from investments	172,921	269,596
• Other financial assets	25,016	7,017
Net cash from (used in) investing activities	**(331,758)**	**154,712**
Cash flows from financing activities		
Dividends paid to parent company shareholders	(159,305)	(79,257)
Changes in share capital	-	-
Treasury shares	(200,691)	(128,491)
Net cash used in financing activities	**(359,995)**	**(207,748)**
Net increase (decrease) in cash and cash equivalents	**112,460**	**545,172**
Opening cash and cash equivalents	1,006,132	460,960
Closing cash and cash equivalents	1,118,592	1,006,132

5.4 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report also includes information relating to the specific verification of information given in the Management Report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meetings, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying financial statements of Eurazeo;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

I – OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2016 and of the results of its operations for the year then ended in accordance with French accounting principles.

Without qualifying the above opinion, we draw your attention to the "Investments, portfolio securities, other securities holdings and marketable securities" paragraph of the "Accounting policies" section and to "Note 1 – Intangible assets and property, plant and equipment" which set out the impact of the change in accounting method resulting from the first-time application of ANC Regulation no. 2015-06 notably on the recognition and measurement of technical deficits.

II – JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- as indicated in the "Accounting policies" section of the Company financial statements, under "Investments, portfolio securities, other securities, holdings and marketable securities", investments and portfolio securities are written down to their value in use if it is lower than their carrying amount. As part of our assessment of the significant estimates made to prepare the financial statements, we examined the data and assumptions used to calculate values in use, and we verified the proper application of the methods defined by the Company. We also verified that Note 2 to the financial statements, "Financial assets", provides appropriate disclosures;
- your Company has entered into co-investment agreements as disclosed in the "Accounting treatment of co-investment plans" paragraph of the "Accounting policies" section of the Company financial statements. Our work consisted in assessing the methods and assumptions underlying the recognition in the accounts of the retrocession of net capital gains and verifying that "Note 7 – Provisions for contingencies and losses" and "Note 17 – Off-balance sheet commitments" to the financial statements provide appropriate disclosures.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – SPECIFIC VERIFICATIONS AND DISCLOSURES

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law.

We have no comments to make on the fair presentation and consistency with the financial statements of the information given in the Management Report of the Executive Board and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information presented in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code relating to compensation and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of shareholders or holders of the voting rights has been properly disclosed in the Management Report.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Clavié

Mazars
Guillaume Potel
Émilie Loréal

5.5 FIVE-YEAR FINANCIAL SUMMARY (ARTICLE R. 225-102 OF THE FRENCH COMMERCIAL CODE)

(In euros)	01/01/16 12/31/2016	01/01/15 12/31/2015	01/01/14 12/31/2014	01/01/13 12/31/2013	01/01/12 12/31/2012
Capital at year end					
Share capital	212,597,496	213,980,103	210,933,585	199,178,070	201,365,322
Number of shares issued	69,704,094	70,157,408	69,158,550	65,304,283	66,021,415
Transactions and net income for the year					
Net revenue, excluding taxes *	470,003,798	536,483,675	192,011,145	462,549,625	182,748,359
Earnings before tax, depreciation, amortization, impairment and provisions	418,340,501	627,200,709	88,973,671	138,929,317	307,246,688
Income tax expense	(5,065,775)	(3,074,379)	(2,200,586)	(2,148,136)	(1,223,058)
Earnings after tax, depreciation, amortization, impairment and provisions	389,611,052	466,565,015	110,846,487	254,148,788	101,266,279
Distributed earnings [(1)]	83,644,913	79,652,292	79,256,920	75,331,998	76,158,322
Earnings per share					
Earnings after tax, but before depreciation, amortization, impairment and provisions	5.80	8.90	1.32	2.16	4.67
Earnings after tax, depreciation, amortization, impairment and provisions	5.59	6.65	1.60	3.89	1.53
Net dividend per share (in euros) [(1)]	1.20	1.20	1.20	1.20	1.20
Employees					
Number of employees as of December 31	74	66	62	54	51
Total payroll	20,721,272	17,989,848	20,855,269	14,121,834	14,322,075
Employee benefits	11,650,456	11,747,630	12,312,824	8,095,092	7,098,191

(1) Dividend proposed to the Shareholders' Meeting of May 11, 2017.
** Ordinary income.*

5.6 SUPPLIER SETTLEMENT PERIODS

As part of its supplier payment process, Eurazeo strives to meet short settlement terms, and stresses the importance of this among its staff.

Moreover, in compliance with the new provisions adopted by decree in November 2015, Eurazeo has implemented the resources necessary to report more robust information on payment terms.

(In thousands of euros)	**< 30-day legal limit**	**< 60-day agreed period**	**> 60 days**
Trade payables as of December 31, 2016	354	778	449
Trade payables as of December 31, 2015	1,007	2,278	579

Sunrise #03

6

INFORMATION ON THE COMPANY AND THE SHARE CAPITAL

6.1 INFORMATION ON THE COMPANY – BYLAWS

Eurazeo is a European company with an Executive Board and a Supervisory Board (*Société européenne à Directoire et Conseil de Surveillance*), governed by current and future French and European legislative and regulatory provisions and the present Bylaws [1]. It was registered on July 18, 1969 with the Paris Trade and Companies Registry under no. B 692 030 992. The APE industry code is 6420Z.

Eurazeo's Bylaws, the minutes of Shareholders' Meetings, financial statements and reports to Shareholders' Meetings presented by the Executive Board, the Supervisory Board or the Statutory Auditors and all other corporate documents, as well as financial information and all expert valuations and statements issued at Eurazeo's request, which must be made available to shareholders under applicable laws, can be examined at Eurazeo's registered office, at 1, rue Georges Berger, 75017 Paris.

In addition, all financial announcements and reports issued by Eurazeo can be downloaded from the Company's website at www.eurazeo.com, heading Media Center.

Person responsible for financial information

Philippe Audouin – Chief Financial Officer – Member of the Executive Board

E-mail: paudouin@eurazeo.com

Tel: (33)1.44.15.01.11/Fax: (33)1.44.15.01.12.

BYLAWS[1]

Article 1 – Legal form of the Company

The Company is a European company (*Societas Europaea*, or "SE") with an Executive Board and a Supervisory Board pursuant to a decision of the Extraordinary Shareholders' Meeting of May 11, 2017. It is governed by current and future French and European legislative and regulatory provisions and the present Bylaws [1].

Article 2 – Company name

The Company name is "EURAZEO".

In all deeds and documents issued by the Company, the Company name shall be followed by the words "European Company" or the initials "SE" [1].

Article 3 – Corporate purpose

The purpose of the Company, in France and all other countries, directly or indirectly, is:

- the management of its funds and their investment over the short, medium or long term;
- the acquisition, management and disposal, by all available means, of all minority or controlling interests, and generally of all listed and unlisted securities and all real and movable property, in France and elsewhere;
- the sponsoring and acquisition of investment funds and the acquisition of interests in funds of this type;
- the acquisition, disposal, management and operation, by way of leasing or otherwise, of all real property and buildings that it owns, principally in the cities of Lyons and Marseilles, or that it may acquire or build;
- the performance of services on behalf of entities or companies in which the Company holds an equity stake;
- the grant of security interests, endorsements and guaranties to facilitate the financing of subsidiaries or entities in which the Company holds an investment;
- and more generally, all financial, industrial, commercial, real and movable property transactions, directly or indirectly related to one of those purposes or to any similar or related purpose.

Article 4 – Registered office

The Company's registered office is located at 1, rue Georges Berger in Paris (17th District).

The registered office may be transferred to another location in the same county (*département*) or a neighboring county (*département*) by a decision of the Supervisory Board, subject to confirmation of this decision by the next Ordinary Shareholders' Meeting and anywhere else in the European Union by a decision of an Extraordinary Shareholders' Meeting [1].

Article 5 – Company term

Except in the event of dissolution or extension by decision of an Extraordinary Shareholders' Meeting, the Company is incorporated for ninety-nine years as from the date of registration with the Trade and Companies Registry, that is, July 1, 1969.

Article 6 – Share capital

The Company has a share capital of two hundred and twelve million, five hundred and ninety-seven thousand, four hundred and ninety-six euros (€212,597,496). It is divided into sixty-nine million, seven hundred and four thousand and ninety-four (69,704,094) fully paid-up shares of the same par value.

There are two classes of share:

- 69,695,829 class A shares ("A Shares") which are ordinary shares; and
- 8,265 class B shares ("B Shares"), which are preference shares issued pursuant to Articles L. 228-11 *et seq.* of the French Commercial Code.

(1) Subject to the adoption of the 14th and 15th resolutions presented to the Shareholders' Meeting of May 11, 2017.

A Shares and B Shares are referred to collectively in these Bylaws as "shares". Holders of A Shares are referred to as "A Shareholders" and holders of B Shares as "B Shareholders", with A Shareholders and B Shareholders referred to collectively as "shareholders".

Article 7 – Form of shares

A shareholder may choose whether fully paid-up A Shares are held in registered or bearer form.

Fully paid-up B Shares are held in registered form.

They are recorded in an account governed by relevant law and regulations.

Pursuant to applicable laws and regulations, and subject to the corresponding penalties, the Company may at any time ask an institution or broker to disclose the name, address and nationality of individuals or entities holding securities conferring current or future voting rights at the Company's Shareholders' Meetings, as well as the number of securities held by each individual or entity and any restrictions on the securities held.

Article 8 – Information on share capital ownership

Any individual or legal entity which, acting alone or jointly with others, comes to hold, either directly or indirectly, within the meaning of Articles L. 233-7 *et seq.* of the French Commercial Code, one percent (1%) or more of the outstanding shares or voting rights of the Company shall communicate the information set out in Article L. 233-7 of the French Commercial Code to the Company and particularly the aggregate number of shares, voting rights and future rights to shares to be issued and the related voting rights it holds. It shall also report that information to the Company whenever the number of shares or voting rights it owns increases by an additional one percent (1%) or more of the total number of outstanding shares and voting rights.

This information must be provided to the Company no later than five (5) stock market days after any acquisition of shares or voting rights which brings the total held to one percent or a multiple thereof.

Should a shareholder fail to comply with the above provisions and at the request of one or more shareholders owning five percent (5%) or more of the outstanding shares, duly recorded in the minutes of the Shareholders' Meeting, any unreported shares or voting rights shall be barred from voting at all Shareholders' Meetings held during a period of two (2) years commencing the date they are reported by the owner.

The foregoing reporting requirement shall also apply whenever the portion of shares or voting rights held decreases by one percent (1%) or more of the outstanding shares or voting rights.

Article 9 – Rights attached to each share

I° Common rights attached to all shares.

In addition to the voting right conferred by law, each share confers entitlement to a portion of the profits or liquidation surplus in direct proportion to the existing number of shares.

On each occasion where it is necessary to own a certain number of shares in order to vote, it remains the responsibility of those shareholders not possessing the required number to arrange the grouping of shares required.

II° Rights and restrictions specific to B Shares.

1. At the end of the lock-up period for B Shares, as set out in the B Share free grant plan deciding their grant (the "Lock-up Period") (the "Lock-up Period Expiry Date"), each B Shareholder has the right to convert some or all of the B Shares held into A Shares under the conditions set out in paragraphs 3 to 6.
2. B Shares are freely transferable between B Shareholders from the Lock-up Period Expiry Date.
3. During a period of thirty (30) days commencing at the Lock-up Period Expiry Date ("Period 1"), the B Shares may be converted into A Shares at a rate of one A share for one B Share.

   If Period 1 falls within a period of restricted trading in the Company's shares, the beginning of Period 1 will be delayed until the expiry of the period of restricted trading in the Company's shares, up to a maximum of ninety (90) days.
4. From the first anniversary of the Lock-up Period Expiry Date, the conversion parity of B Shares for A Shares will be determined based on the difference, in percentage terms, between the Initial Share Price and the Final Share Price (the "Change in the Share Price"). The "Initial Share Price" represents the average opening price of the Company's share during the twenty (20) trading sessions preceding the date of implementation by the Executive Board of each B Share free grant plan.

   The "Final Share Price" is equal to the average opening price of the Company's share during the twenty (20) trading sessions preceding either:

   (i). the date of publication of the annual or half-year financial statements or quarterly financial information of the Company, in the event of conversion during a period of one year following the first anniversary of the Lock-up Period Expiry Date (inclusive) ("Period 2"); or

   (ii). the second anniversary of the Lock-up Period Expiry Date (the "B Share Expiry Date").
5. During Period 2, the conversion parity of B Shares for A Shares will be equal to:
   - one (1) A share for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is less than 10% (inclusive);
   - two (2) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 10% (exclusive) and less than 20% (inclusive); and
   - three (3) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 20% (exclusive).

   During Period 2, B shareholders may decide the conversion of B Shares into A Shares within a period of fifteen (15) stock market days following the publication of the annual or half-year financial statements or quarterly financial information of the Company, at the conversion parity notified by the Executive Board to the beneficiary at that date.

6. B Shares will be automatically converted into A Shares at the B Share Expiry Date. The conversion parity of B Shares into A Shares will be equal to:

- one (1) A Share for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is less than 20% (inclusive);
- two (2) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 20% (exclusive) and less than 30% (inclusive); and
- three (3) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 30% (exclusive) and less than 40% (inclusive); and
- four (4) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 40% (exclusive).

No later than fifteen (15) days before each Shareholders' Meeting, an additional report by the Executive Board and an additional report by the Statutory Auditors on the conversion of B Shares into A Shares will be made available to shareholders.

Article 10 – Payment of shares

The amount of shares issued during a capital increase and to be paid up in cash is payable under the terms and conditions determined by the Supervisory Board.

Subscribers and shareholders are notified of calls for funds at least fifteen (15) days before the date set for each payment by a notice published in a legal gazette of the location of the registered office or by registered letter sent individually to subscribers and shareholders.

All delays in payment of sums due on the unpaid shares shall automatically, and without the need for any formality whatsoever, lead to the payment of interest calculated at the legal rate plus two (2) points, day after day, as from the due date, without prejudice to any action *in personam* that the Company may bring against the defaulting shareholder and enforcement measures provided by law.

Article 11 – Members of the Supervisory Board

1. The Supervisory Board has a minimum of three (3) and a maximum of eighteen (18) members, subject to the exemption granted by law in the event of a merger.

   The members of the Supervisory Board are appointed by Ordinary Shareholders' Meeting. When a vacancy arises for one or more Board members, the Board itself may appoint replacements by co-optation, each being appointed for the remaining period of office of his/her predecessor, and subject to ratification of the appointment by the next Shareholders' Meeting.

   The number of Supervisory Board members aged over seventy (70) may not exceed one-third of the total number of Supervisory Board members at any time. When this proportion is exceeded, the oldest member of the Supervisory Board, with the exception of its Chairman, must resign his/her position at the end of the next Ordinary Shareholders' Meeting.

2. Each Supervisory Board member must hold at least two hundred and fifty (250) Company shares throughout his/her entire term.

3. Members of the Supervisory Board are appointed for a period of four (4) years. They may be re-appointed. The duties of members of the Supervisory Board terminate at the end of the Ordinary Shareholders' Meeting approving the financial statements for the preceding fiscal year that is held during the year in which their term of office expires.

4. The Supervisory Board also includes, pursuant to the provisions of Articles L. 225-79-2 *et seq.* of the French Commercial Code, one or two members representing employees, subject to a regime governed by prevailing law and these Bylaws.

   When the number of members of the Supervisory Board appointed by Ordinary Shareholders' Meeting is less than or equal to twelve, one member of the Supervisory Board is appointed to represent employees for a period of four (4) years by the Company's Work Council.

   When the Supervisory Board has more than twelve members, a second member of the Supervisory Board representing employees must be appointed in accordance with the same procedure. Should the number of members of the Supervisory Board appointed by Ordinary Shareholders' Meeting become equal to or less than twelve, the term of office of the second member of the Supervisory Board representing employees shall continue to its end.

   The renewal of the terms of office of the members of the Supervisory Board representing employees will be subject to the number of employees remaining above the legal threshold.

   Members of the Supervisory Board representing employees are not taken into account when determining the minimum or maximum number of members of the Supervisory Board set by Article 11.1 of these Bylaws.

   By exception to the obligation set out in Article 11.2 of these Bylaws, members representing employees are not required to own Company shares. In addition, they shall receive no attendance fees in respect of their duties.

Article 12 – Chair of the Supervisory Board

1. The Supervisory Board elects a Chairman and one or more Vice-Chairmen for the full period of their appointment. Both functions must be filled by natural persons.

   The Supervisory Board sets their compensation, whether fixed or variable.

   The Chairman is responsible for calling Board meetings at least four times a year, and for chairing the proceedings.

2. The Vice-Chairman or Vice-Chairmen have the same responsibilities and prerogatives as the Chairman, when the Chairman is unable to attend or has delegated his/her duties temporarily.

3. The Supervisory Board may appoint a secretary, either from among its own members or from outside the Board.

Article 13 – Proceedings of the Supervisory Board

1. Supervisory Board members may be notified of Board meetings by any form of communication, including orally.

   Supervisory Board meetings are held at the registered office or in any other place specified in the notice of meeting. Meetings are chaired by the Supervisory Board Chairman or, in the absence of the latter, by a Vice-Chairman.

2. Meetings are held and proceedings conducted subject to the legal provisions governing quorum and majority rules. Where voting is tied, the meeting Chairman will have the casting vote.

3. The Supervisory Board drafts Internal Rules, which may provide that, except in cases of resolutions relating to the appointment or replacement of its Chairman and Vice-Chairmen, and those relating to the appointment or dismissal of Executive Board

members, for the purposes of quorum and majority rules, Supervisory Board members may participate in Board meetings through video conferencing or another form of telecommunications, as provided by applicable law and regulations.

4. Minutes are recorded of Supervisory Board meetings and copies or extracts thereof are certified and distributed in accordance with the law.

Article 14 – Powers of the Supervisory Board

1. The Supervisory Board permanently oversees the management of the Company by its Executive Board.

   At any time during the year, it conducts any verifications and reviews that it deems necessary and may ask the Executive Board to communicate any documents that it considers necessary for the performance of its duties.

   The Executive Board submits a report to the Supervisory Board at least once every quarter on the Company's main management acts and decisions, including all information that the Board may require to be kept informed of the Company's business, along with the quarterly and half-yearly financial statements.

   The Executive Board also submits budgets and investment plans every six months.

   Within the prescribed regulatory time limt following the end of each fiscal year, the Executive Board submits the separate annual financial statements and consolidated financial statements and its report to the Shareholders' Meeting to the Supervisory Board for check and control. The Supervisory Board reports its observations on the Executive Board's report and the annual Company and consolidated financial statements to the Shareholders' Meeting.

   This supervision may, under no circumstances, lead to the performance of management acts, directly or indirectly, by the Supervisory Board or its members.

2. The Supervisory Board appoints and may dismiss the members of the Executive Board, in accordance with the law and pursuant to Article 17 of these Bylaws.

3. The Supervisory Board prepares the draft resolution proposing the appointment of the Statutory Auditors to the Shareholders' Meeting, in accordance with the law.

4. The following transactions are subject to the prior approval of the Supervisory Board:

   a) pursuant to applicable law and regulations:

   - the disposal of real estate,
   - the partial or full disposal of investments,
   - the creation of security interests, as well as the granting of sureties, endorsements and guarantees;

   b) pursuant to these Bylaws:

   - any proposal to the Shareholders' Meeting to amend the Bylaws,
   - any transaction that could result, immediately or in the future, in a share capital increase or decrease through the issue or cancelation of shares and/or securities,
   - the creation of stock option plans and the granting of Company share subscription or purchase options,
   - any proposal to the Shareholders' Meeting regarding share buyback programs,
   - any proposal to the Shareholders' Meeting regarding the appropriation of earnings and the distribution of dividends or interim dividends,
   - the appointment of one or more Company representatives to the Boards of any French or foreign companies in which the Company holds an investment with a value of two hundred million euros (€200 million) or more,
   - the acquisition of a new or additional investment in any entity or company, any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by the Company of more than two hundred million euros (€200 million),
   - agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds two hundred million euros (€200 million).

   The following items are taken into consideration for the purpose of the above limit of two hundred million euros (€200 million):

   → the value of any investment by the Company, as reported in its company accounts, either in the form of equity or equity equivalents or in the form of shareholder loans or similar arrangements,

   → debts and assimilated liabilities for which the Company has provided an express guarantee or agreed to stand surety. Other liabilities contracted by the subsidiary or holding entity concerned, or by a special-purpose acquisition entity, for which the Company has not expressly agreed to give a guarantee or stand surety, are not taken into account in determining whether or not the limit has been exceeded;

   c) all agreements and commitments governed by Article L. 225-86 of the French Commercial Code.

5. Within the limit of the amounts that it will determine, under the terms and conditions and for the duration that it defines, the Supervisory Board may authorize the Executive Board in advance to carry out one or more of the transactions mentioned in a) and b) of paragraph 4 above.

6. The Supervisory Board may decide to set up committees from among its members to review questions that it or its Chairman submit for their opinion. It defines the membership and tasks of these committees which will act under the Board's responsibility.

Article 15 – Compensation of Supervisory Board members

The Supervisory Board may be granted attendance fees by the Shareholders' Meeting. The Supervisory Board may then distribute such fees freely among its members.

The Supervisory Board may also grant exceptional compensation to certain of its members as provided by law.

Article 16 – Non-voting members

1. The Shareholders' Meeting may appoint non-voting members to assist the Supervisory Board. Non-voting members may or may not be selected from among shareholders; there may be no more than four non-voting members, and they are appointed for a maximum of four years. The Supervisory Board decides their roles and responsibilities and sets their compensation.

2. The maximum age limit for non-voting members of the Board is eighty (80) years. Non-voting members who reach this age shall be deemed to have resigned.

3. Non-voting members are invited to all Supervisory Board meetings and may contribute to its proceedings in an advisory role only. They may not act on behalf of Supervisory Board members and may only advise.

Article 17 – Members of the Executive Board

1. The Company is managed by an Executive Board comprised of three (3) to seven (7) members appointed by the Supervisory Board. It performs its duties under the supervision of the Supervisory Board, in accordance with the law and the Company's Bylaws.
2. The members of the Executive Board need not be chosen from among the shareholders. They must be natural persons. They may be reappointed indefinitely. No member of the Supervisory Board may be a member of the Executive Board.

   The age limit for acting as a member of the Executive Board is set at sixty-eight (68) years of age. Any member of the Executive Board who reaches this age shall be deemed to have resigned.

   Members of the Executive Board may have an employment contract with the Company that shall remain in effect throughout their entire term of office and thereinafter.
3. The Executive Board is appointed for a term of four (4) years. In the event that a seat falls vacant, the Supervisory Board shall appoint, in accordance with the law, a successor for the predecessor's remaining term.
4. Members of the Executive Board may be dismissed, either by the Supervisory Board, or by Shareholders' Meeting upon the recommendation of the Supervisory Board. If the dismissal is without good cause, the member may be entitled to damages. Dismissal of a member of the Executive Board does not result in termination of his/her employment contract.

Article 18 – Chair of the Executive Board – General Management

1. The Supervisory Board appoints one of the members of the Executive Board as its Chairman. He or she fulfills the duties of Chairman for the full term of their appointment as an Executive Board member. He or she represents the Company in its dealings with third parties.
2. The Supervisory Board may confer the same powers of representation on one or more Executive Board members, who then assume the title of Deputy Chief Executive Officer.
3. The duties of Chairman and, where applicable, Deputy Chief Executive Officer, allocated to Executive Board members may be withdrawn at any time by the Supervisory Board.
4. The Chairman and Deputy Chief Executive Officer(s) validly carry out all acts that bind the Company with respect to third parties.

Article 19 – Proceedings of the Executive Board

1. The Executive Board meets as often as required in the best interests of the Company, after a meeting has been called by the Chairman or at least half of its members. Meetings are held at the registered office or in any other place specified in the notice of meeting. Items may be added to the agenda at the meeting. Meetings may be notified by any form of communication, including orally.
2. Meetings are chaired by the Chairman of the Executive Board or, in his/her absence, by the Deputy Chief Executive Officer designated by the Chairman.
3. Executive Board proceedings are valid only when at least half of its members are present. Decisions are adopted by the majority of votes cast by those members present or represented. Where voting is tied, the Chairman has the casting vote.

   Members of the Executive Board may take part in Board meetings by means of videoconference or telecommunications, as permitted by current regulations applicable to meetings of the Supervisory Board. The members shall be considered present for the purpose of calculating quorum and majority.
4. The proceedings are recorded in the form of minutes, which are held in a special register and signed by those Executive Board members attending the meeting.
5. The Executive Board sets its own internal rules and notifies the Supervisory Board thereof.

Article 20 – Powers and obligations of the Executive Board

1. The Executive Board is vested with the most extensive powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly attributed by law and the Company's Bylaws to Shareholders' Meetings and the Supervisory Board.

   No restriction on its powers will be enforceable against third parties, who may launch legal proceedings against the Company, with respect to the performance of the commitments made in its name by the Chairman of the Executive Board or a Deputy Chief Executive Officer, once their appointments have been regularly published.
2. Members of the Executive Board may, with the authorization of the Supervisory Board, divide management tasks among themselves. However, this division of tasks may, under no circumstances, exempt the Executive Board from meeting and deliberating on the most important issues concerning the Company's management, or be invoked as a reason for exemption from the joint and several liability of the Executive Board and each of its members.
3. The Executive Board may vest one or more of its members or any person chosen from outside the Board, with special, permanent or temporary duties that it will determine, and delegate to them for one or more specified purposes, with or without the possibility of sub-delegation, any powers that it deems necessary.
4. The Executive Board prepares and presents to the Supervisory Board, reports, budgets and quarterly, half-year and annual financial statements, in accordance with the law and pursuant to paragraph 1 of Article 14 above. The Executive Board calls all Shareholders' Meetings, defines their agenda and implements their decisions.
5. Members of the Executive Board may be held liable, towards the Company or third parties, collectively and severally, as the case may be, for breaches of legal and regulatory provisions governing European companies, breaches of these Bylaws, or management faults, under the conditions and governing sanctions provided by prevailing French and European laws [1].

Article 21 – Compensation of Executive Board members

The Supervisory Board sets the method and amount of compensation paid to each Executive Board member, and sets the number and conditions of any share subscription or purchase options they may be granted.

Article 22 – Statutory Auditors

The Statutory Auditors are appointed and carry out their duties in accordance with the law.

(1) Subject to the adoption of the 14th and 15th resolutions presented to the Shareholder's Meeting of May 11, 2017.

Article 23 – Shareholders' Meetings

1. Shareholders' Meetings are called and vote in accordance with the provisions of prevailing European regulations and French law applicable to European companies [1].
2. Each A Share and each B Share entitles its holder to one vote. However, fully paid-up A Shares deposited in registered accounts in the name of the same shareholder for two (2) years or more, are entitled to double the voting rights of other A Shares.

   Furthermore, in the event of a share capital increase through capitalization of reserves, profits or share premiums, bonus A Shares granted to shareholders in proportion to existing A Shares held qualifying for double voting rights shall also confer double voting rights.

   A Shares converted into bearer shares or which change hands lose their extra voting rights. However, the foregoing provision is not applicable to shares transferred by virtue of inheritance, the liquidation of community property or *inter vivos* gifts to a spouse or relative entitled to inherit, nor shall such transfers interrupt the two-year period specified in the preceding paragraph.

   The beneficial owners of shares shall exercise the voting rights attached to them at Ordinary Shareholders' Meetings, and their legal owners shall exercise these voting rights at Extraordinary Shareholders' Meetings. The shareholders may, however, agree to allocate voting rights in a different manner at Shareholders' Meetings. If they do so, they shall inform the Company thereof by registered letter to its registered office and the Company shall comply with such agreements at all Shareholders' Meetings held one month or more after the postmarked date of this registered letter.
3. Meetings are held either at the Company's registered office or at any other venue indicated in the notice of meeting.

   Evidence of the right to participate at the Company's Shareholders' Meetings shall consist in the accounting registration of the shares in the name of the shareholder or financial broker acting on his/her behalf (as provided for by law) no later than 0:00 A.M. (Paris time) two business days prior to the meeting:

   → in the case of registered shareholders: in the registered share books of the Company;

   → in the case of holders of bearer shares: in the bearer share books kept by the authorized broker, as provided for by applicable regulations.

   Shareholders may attend meetings in person or be represented by a proxy. They may also participate by sending a vote by mail as provided for by applicable laws and regulations. In order to be counted, mail ballots must be received by the Company no later than three (3) business days before the date of the meeting.

   The Executive Board may authorize the sending to the Company of proxy and mail voting forms by telecommunications means (including electronic means) in accordance with applicable laws and regulations.

   When such telecommunications means are used, the electronic signature may take the form of a process complying with the criteria set out in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code.

   If the Executive Board decides to use such telecommunications means, as set out in the meeting notice or convening notice, shareholders who participate in Shareholders' Meetings *via* videoconferencing or telecommunications means that allow them to be identified as set forth by applicable law are deemed to be present for the calculation of quorum and majority.
4. Shareholders' Meetings are chaired by the Chairman of the Supervisory Board or, in his/her absence, a Vice-Chairman. In the absence of both individuals, the meeting elects its own Chairman.
5. Minutes are recorded of Shareholders' Meetings and copies thereof are certified and distributed in accordance with the law.

Article 24 – Special Meetings

1. B Shareholders are consulted under the conditions set out in Article 23 of the Bylaws (applicable *mutatis mutandis* to Special Meetings of B Shareholders) on issues falling specifically under their authority pursuant to the law.
2. Only B Shareholders holding their shares in registered form may attend these Special Meetings and vote.
3. Special Meetings of B Shareholders exercise their powers under the conditions set-out in prevailing regulations.
4. Decisions of the Company made by a Shareholders' Meeting amending the rights conferred by B Shares are only definitive after approval by a Special Meeting of B Shareholders.

Article 25 – Company financial statements

The fiscal period commences January first (1st) and ends December thirty-first (31st) of each year.

Provided that there is sufficient income left after deducting the sums required to fund or supplement the legal reserve, the Shareholders' Meeting may, upon the recommendation of the Executive Board, allocate any portion of earnings it deems appropriate, either to retained earnings or to one or more general or special reserve accounts, or for distribution to shareholders.

The Shareholders' Meeting called to approve the financial statements for the year has the authority to grant all shareholders the option to receive some or all of the dividend or interim dividend distributed in either cash or shares, in accordance with the laws and regulations applicable as of the date of the decision.

The Ordinary Shareholders' Meeting may decide the distribution of profits or reserves through the allotment of marketable securities presented in the Company's assets.

Article 26 – Regulated agreements

Pursuant to Article L. 229-7 paragraph 6 of the French Commercial Code, the provisions of Articles L. 225-86 to L. 225-90-1 of the French Commercial Code are applicable to agreements entered into by the Company.

Article 27 – Dissolution and liquidation

In the event of dissolution of the Company, the Shareholders' Meeting appoints one or more liquidators in accordance with the conditions of quorum and majority laid down for Ordinary Shareholders' Meetings.

The liquidator represents the Company. He is vested with the most extensive powers to liquidate the assets, by amicable settlement. He is qualified to pay creditors and distribute the available balance.

The Shareholders' Meeting may authorize the liquidator to continue outstanding business or initiate new business for the needs of the liquidation.

Article 28 – Disputes

Any disputes that may arise during the term of the Company or during its liquidation, either between the Company and shareholders, or among shareholders relating to corporate matters shall be subject to the jurisdiction of the competent courts of the registered office.

(1) Subject to the adoption of the 14th and 15th resolutions presented to the Shareholders' Meetng of May 11, 2017.

6.2 INFORMATION ON THE SHARE CAPITAL

6.2.1 NUMBER OF SHARES

As of December 31, 2016, the Company has a share capital of €212,597,496, comprising 69,704,094 fully paid-up shares of the same par value.

There are two classes of share:

- 69,695,829 class A shares ("A Shares") which are ordinary shares;
- 8,265 class B shares ("B Shares"), which are preference shares issued pursuant to Articles L. 228-11 *et seq.* of the French Commercial Code.

6.2.2 SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

As of December 31, 2016, there are no securities granting access to the share capital and voting rights of the Company other than those detailed in Section 7.2 of this Registration Document.

The 22nd resolution adopted by the Shareholders' Meeting of May 12, 2016, authorizes the Executive Board, up to July 11, 2019, to grant options to subscribe for new shares up to a maximum amount of 3% of the share capital, or to purchase existing shares as permitted by law. Within the abovementioned limit, the total number of options that can be granted to corporate officers of the Company may not give beneficiaries the right to subscribe to or purchase shares representing more than 1.5% of share capital at the grant date.

The 23rd resolution adopted by the Shareholders' Meeting of May 12, 2016, authorizes the Executive Board, up to July 11, 2019, to grant free shares to employees and corporate officers of the Company and/or its affiliates. The total number of free shares granted cannot exceed 1% of the share capital on the day of the Executive Board's decision. Within the above ceiling, the number of free shares granted to corporate officers of the Company may not represent more than 0.5% of the share capital on the day of the Executive Board decision.

The 25th resolution adopted by the Shareholders' Meeting of May 12, 2016 authorizes the Executive Board, in the event of a takeover bid targeting the Company's shares, to issue bonus share warrants to the Company's shareholders. This authorization was granted for a period of 18 months commencing the date of the Shareholders' Meeting, *i.e.* until November 11, 2017. The Shareholders' Meeting of May 11, 2017 (18th resolution) is asked to renew this authorization for a period of 18 months commencing the date of the Shareholders' Meeting, *i.e.* until November 10, 2018.

The 31st resolution adopted by the Shareholders' Meeting of May 7, 2014 authorizes the Executive Board to perform free grants of preference shares convertible into existing or future ordinary shares of the Company, to employees and corporate officers of the Company and/or its affiliates. These free grants must be performed before expiry of a 38 month period commencing the date of the authorizing Shareholders' Meeting, that is, before July 6, 2017. The total amount of ordinary shares that may result from the conversion of preference shares granted for nil consideration may not represent more than 1% of the share capital at the end of the Shareholders' Meeting of May 7, 2014.

6.2.3 CHANGES IN SHARE CAPITAL

Date	Transaction	Amount of the change in share capital *(in euros)*	Total number of shares	Total amount of share capital *(in euros)*
05/22/2013	Share capital increase *via* a one-for-twenty bonus share grant (creation of 3,301,070 new shares ranking immediately for dividends)	10,068,264	69,322,485	211,433,586
07/19/2013	Share capital decrease *via* the cancellation of 902,747 treasury shares decided by the Executive Board on July 16, 2013	(902,747)	68,419,738	208,680,208
12/16/2013	Share capital decrease *via* the cancellation of 3,115,455 treasury shares decided by the Executive Board on December 12, 2013	(3,115,455)	65,304,283	199,178,070
05/16/2014	Share capital increase *via* a one-for-twenty bonus share grant (creation of 3,265,214 new shares ranking immediately for dividends)	9,958,903	68,569,497	209,136,973
06/10/2014	Share capital increase *via* the issuance of new shares following payment of the dividend in shares (creation of 589,053 new shares ranking immediately for dividends)	1,796,612	69,158,550	210,933,585
05/13/2015	Share capital increase *via* a one-for-twenty bonus share grant (creation of 3,457,927 new shares ranking immediately for dividends)	10,546,678	72,616,477	221,480,263
12/23/2015	Share capital decrease *via* the cancellation of 2,459,069 treasury shares decided by the Executive Board on December 15, 2015	(7,500,160)	70,157,408	213,980,103
05/20/2016	Share capital increase *via* a one-for-twenty bonus share grant (creation of 3,507,870 new shares ranking immediately for dividends)	10,699,004	73,665,278	224,679,107
06/17/2016	Share capital increase *via* preference shares grant (creation of 8,265 new class B shares ranking immediately for dividends)	25,208	73,673,543	224,704,315
06/24/2016	Share capital decrease *via* the cancellation of 1,764,736 treasury shares decided by the Executive Board on June 22, 2016	(5,382,445)	71,908,807	219,321,870
12/27/2016	Share capital decrease *via* the cancellation of 2,204,713 treasury shares decided by the Executive Board on December 20, 2016	(6,724,374)	69,704,094	212,597,496

6.2.4 INFORMATION ON POTENTIAL SHARE CAPITAL DILUTION

Preference shares are outstanding. The terms of their conversion into ordinary shares are presented in Sections 7.2.2 and 7.2.3 of the 2015 Registration Document (p. 294 to 299).

6.2.5 SUMMARY TABLE OF UNEXPIRED DELEGATIONS OF AUTHORITY AND AUTHORIZATIONS USED IN 2016

The table below sets out the unexpired delegations of authority approved by the Shareholders' Meetings of May 7, 2014, May 6, 2015 and May 12, 2016:

Date of Shareholders' Meeting (Resolution no.)	Nature of the authorization	Duration and expiry date	Authorized amount *(par value amount or % of share capital)*	Used in 2016 *(par value amount or number of shares)*
05/12/2016 (12th resolution)	Authorization of a share buyback program by the Company of its own shares (maximum authorized purchase price: €100) *.	18 months (November 11, 2017)	10% of share capital	4,777,664 shares **
05/06/2015 (12th resolution)	Authorization to decrease the share capital by cancelling shares purchased under share buyback programs *.	26 months (July 5, 2017)	10% of share capital	3,969,449 shares
05/12/2016 (14th resolution)	Delegation of authority to increase share capital by capitalizing reserves, profits or share, merger or contribution premiums.	26 months (July 11, 2018)	€2,000,000,000	€10,699,004
05/12/2016 (15th resolution)	Delegation of authority to issue shares and/or securities granting access, immediately or in the future, to share capital, with retention of preferential subscription rights.	26 months (July 11, 2018)	€100,000,000	_
05/12/2016 (16th resolution)	Delegation of authority to issue shares and/or securities granting access, immediately or in the future, to share capital, with cancellation of preferential subscription rights and by public offering, or in connection with a takeover bid comprising a share exchange offer.	26 months (July 11, 2018)	€20,000,000	_
05/12/2016 (17th resolution)	Delegation of authority to issue shares and/or securities granting access, immediately or in the future, to share capital, with cancellation of preferential subscription rights in connection with an offering referred to in Section II of Article L. 411-2 of the French Monetary and Financial Code.	26 months (July 11, 2018)	10% of share capital	_
05/12/2016 (18th resolution)	Authorization to set the issue price in the event of the issue of shares and/or securities granting access, immediately or in the future, to share capital, with cancellation of preferential subscription rights, representing up to 10% of the share capital.	26 months (July 11, 2018)	10% of share capital	_
05/12/2016 (19th resolution)	Increase in the number of shares, securities or other instruments to be issued in the event of a share capital increase with or without preferential subscription rights.	26 months (July 11, 2018)	15% of the initial issue	_
05/12/2016 (20th resolution)	Delegation of authority to issue shares and/or securities granting access, immediately or in the future, to share capital, in consideration for contributions in kind granted to the Company.	26 months (July 11, 2018)	10% of share capital	_
05/12/2016 (22nd resolution)	Authorization to grant share subscription or purchase options to employees and corporate officers of the Company and/or its affiliates.	38 months (July 11, 2019)	3% of share capital	120,425 share purchase options ***
05/12/2016 (23rd resolution)	Authorization to grant free shares to employees and corporate officers of the Company and/or its affiliates.	38 months (July 11, 2019)	1% of share capital	178,000 shares***
05/12/2016 (24th resolution)	Delegation of authority to issue shares and/or other securities granting access, immediately or in the future, to share capital, reserved for members of a company savings plan (*plan d'épargne entreprise*) *.	26 months (July 11, 2018)	€2,000,000	_
05/12/2016 (25th resolution)	Delegation of authority in the event of takeover bids targeting the Company's shares, to issue bonus share warrants to the Company's shareholders *.	18 months (November 11, 2017)	€200,000,000	_
05/07/2014 (31st resolution)	Authorization to grant free preference shares to be issued, with cancellation of preferential subscription rights.	38 months (July 6, 2017)	1% of share capital	_

* *Renewal subject to the approval of the Shareholders' Meeting of May 11, 2017.*
** *Including 1,690,253 shares purchased pursuant to the authorization granted by the 9th resolution adopted by the Shareholders' Meeting of May 6, 2015 and 3,087,411 shares purchased pursuant to the authorization granted by the 12th resolution adopted by the Shareholders' Meeting of May 12, 2016.*
*** *Adjusted for share capital transactions.*

6.2.6 EQUITY EQUIVALENTS

None.

6.2.7 PLEDGES

Pledges of the issuer's shares held in registered accounts

None.

Pledges of the issuer's assets (intangible assets, property, plant and equipment and long-term financial assets)

None.

6.3 SHAREHOLDING STRUCTURE

To the best of the Company's knowledge and based on threshold crossing reports filed with the French Financial Markets Authority (AMF), shareholders owning a stake in Eurazeo's share capital or voting rights above the legal thresholds as of December 31, 2016 are listed below:

(In percentage)	Of the share capital	Of voting rights	Of voting rights including treasury shares
Concert *	17.44%	20.67%	20.11%
Crédit Agricole	15.42%	23.21%	22.58%
Orpheo	6.43%	5.02%	4.89%
Sofina	5.52%	8.60%	8.37%

* *Shareholders' agreement between Michel David-Weill, Palmes CPM SA, Quatre Soeurs LLC, the undivided estate of Michel David-Weills children, Constance Broz de Solages, Jean-Manuel de Solages, Amaury de Solages, Martine Bernheim-Orsini, Cynthia Bernheim (assuming the rights of Pierre-Antoine Bernheim), Alain Guyot and Hervé Guyot (AMF notice no. 211C0404) (hereinafter the "Shareholders' Agreement").*

In a letter dated January 5, 2017, Crédit Agricole SA reported that it had exceeded, without taking any action, the 15% share capital threshold in Eurazeo and held 10,748,063 Eurazeo shares and 20,715,214 voting rights, representing 15.42% of the share capital and 22.58% of voting rights of the Company.

This threshold was crossed due to the decrease in the total number of Eurazeo shares following the cancellation of 2,204,713 Eurazeo shares on December 27, 2016.

6.3.1 SHARE CAPITAL HELD BY COMPANIES CONTROLLED BY EURAZEO AND/OR BY RECIPROCAL INVESTMENTS

None.

6.3.2 CURRENT BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS

Number of shareholders

A survey of identifiable bearer shares (*titres au porteur identifiables*, TPI) as of December 31, 2016, which identified custodians holding over 125,000 shares as well as individuals holding over 100 shares, found that Eurazeo had over 10,088 shareholders, including 787 registered shareholders and 9,301 identified holders of bearer shares.

As of December 31, 2016, registered shareholders (including the treasury shares held by Eurazeo) held 41.11% of the share capital and 55.24% of voting rights (including treasury shares held by Eurazeo).

As of December 31, 2016, Eurazeo had a share capital of €212,597,496, comprising 69,704,094 fully paid-up shares.

There are two classes of share:

- 69,695,829 class A shares, which are ordinary shares; and
- 8,265 class B shares, which are preference shares issued pursuant to Articles L. 228-11 *et seq.* of the French Commercial Code.

Shares held by employees

Under the Group savings plan introduced on December 31, 1997, Eurazeo employees hold shares in a company mutual fund partially invested in Eurazeo shares. As of December 31, 2016, the Company mutual fund held 75,000 Eurazeo shares (0.11% of the share capital).

As of December 31, 2016, Eurazeo employees held 377,252 shares directly (0.54% of the share capital).

CHANGES IN THE SHAREHOLDING STRUCTURE (SHAREHOLDERS OWNING OVER 5% OF THE SHARE CAPITAL OR VOTING RIGHTS)

	12/31/2016 **					12/31/2015	
(In percentage)	**Shares**	**% of share capital**	**Voting rights**	**% of voting rights**	**% of voting tights ***	**Shares**	**% of share capital**
Registered shares	28,652,461	41.11%	48,210,373	54.01%	52.56%	27,488,108	39.18%
Bearer shares	41,051,633	58.89%	41,051,633	45.99%	44.75%	42,669,300	60.82%
Quatre Sœurs LLC	2,689,583	3.86%	5,379,166	6.03%	5.86%	3,415,343	4.87%
Palmes CPM SA	896,526	1.29%	896,526	1.00%	0.98%		
Michel David-Weill	57,740	0.08%	115,480	0.13%	0.13%	54,991	0.08%
Guyot Family	450,877	0.65%	845,147	0.95%	0.92%	437,028	0.62%
Bernheim Family	1,421,431	2.04%	1,421,431	1.59%	1.55%	1,353,745	1.93%
MDW undivided estate	2,823,562	4.05%	2,823,562	3.16%	3.08%	2,689,107	3.83%
Heirs of Eliane David-Weill	3,817,561	5.48%	6,968,705	7.81%	7.60%	3,635,775	5.18%
Concert (1)	**12,157,280**	**17.44%**	**18,450,017**	**20.67%**	**20.11%**	**11,585,989**	**16.51%**
Crédit Agricole SA	10,748,063	15.42%	20,715,214	23.21%	22.58%	10,236,251	14.59%
Sofina SA	3,847,417	5.52%	7,680,375	8.60%	8.37%	3,711,827	5.29%
Orphéo (3)	4,484,959	6.43%	4,484,959	5.02%	4.89%	4,484,959	6.39%
Public	35,998,953	51.64%	37,931,441	42.49%	41.35%	37,497,803	53.44%
Eurazeo (2)	2,467,422	3.54%			2.69%	2,640,579	3.76%
TOTAL	**69,704,094**	**100%**	**89,262,006**	**100%**	**100%**	**70,157,408**	**100%**

(1) AMF notice no. 211C0404.
(2) Treasury shares held by Eurazeo.
(3) On May 9, 2012, Vincent Meyer transferred all Eurazeo shares held individually to Orphéo which he controls. Position indicated in AMF notice no. 212C0613.
** Based on the total number of shares, including shares stripped of voting rights in accordance with Article L. 233-8-II of the French Commercial Code.*
*** Data based on identifiable beared shares as of December 31, 2016.*

As of December 31, 2016, Eurazeo held 2,467,422 treasury shares with a gross carrying amount of €88,267,184.81.

12/31/2015			12/31/2014				
Voting rights	**% of voting rights**	**% of voting rights ***	**Shares**	**% of share capital**	**Voting rights**	**% of voting rights**	**% of voting rights ***
46,596,838	52.20%	50.70%	24,477,522	35.39%	42,545,410	48.78%	47.16%
42,669,300	47.80%	46.43%	44,681,028	64.61%	44,681,028	51.22%	49.53%
6 830 686	7.65%	7.43%	3,252,708	4.70%	6,505,416	7.46%	7.21%
109,982	0.12%	0.12%	52,374	0.08%	104,748	0.12%	0.12%
812,524	0.91%	0.88%	464,921	0.67%	858,173	0.98%	0.95%
1,353,745	1.52%	1.47%	1,349,282	1.95%	1,349,282	1.55%	1.50%
2,689,107	3.01%	2.93%	2,561,055	3.70%	2,561,055	2.94%	2.84%
6,636,867	7.43%	7.22%	3,462,644	5.01%	6,208,418	7.12%	6.88%
18, 432,911	**20.65%**	**20.06%**	**11,142,984**	**16.11%**	**17,587,092**	**20.16%**	**19.49%**
19,728,776	22.10%	21.47%	9,748,811	14.10%	18,789,311	21.54%	20.83%
7,362,264	8.25%	8.01%	3,882,737	5.61%	7,287,088	8.35%	8.08%
4,484,959	5.02%	4.88%	4,484,959	6.49%	4,484,959	5.14%	4.97%
39,257,228	43.97%	42.71%	36,909,085	53.37%	39,077,988	44.80%	43.32%
		2.87%	2,989,974	4.32%			3.31%
89,266,138	**100%**	**100%**	**69,158,550**	**100%**	**87,226,438**	**100%**	**100%**

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6.4 SHAREHOLDERS' AGREEMENTS

6.4.1 AGREEMENTS REPORTED TO THE AMF CONCERNING EURAZEO SHARES

Pursuant to Article L. 233-11 of the French Commercial Code, the Financial Markets Authority (*Autorité des Marchés Financiers*, AMF) released to public information, the following agreement (the "Agreement") (Decision and information notice no. 211C0404):

The parties to the Agreement, which are considered to act in concert, are currently Michel David-Weill, Quatre Soeurs LLC, Palmes CPM SA, Alain Guyot, Hervé Guyot, Amaury de Solages, Jean-Manuel de Solages, Constance Broz de Solages, the undivided estate of Michel David-Weill's children, Martine Bernheim-Orsini and Cynthia Bernheim (assuming the rights of Pierre-Antoine Bernheim).

The main provisions of the Agreement are as follows:

- a commitment to hold the Eurazeo shares owned by the signatories to the Agreement;
- a commitment by each of the parties not to increase their respective investments in Eurazeo, except (i) the acquisition of share capital and/or voting rights on the payment of dividends in shares, on the grant of bonus shares or as a result of a share split, (ii) any other acquisition of share capital and/or voting rights after prior confirmation that the proposed acquisition does not result in the concert crossing the legal threshold for the mandatory filing of a public offer or (iii) where the withdrawal of a party from the concert is reported beforehand to the AMF, the other parties are informed, and the party withdraws from the Agreement;
- a mechanism enabling the exclusion of any member that increases its investment in Eurazeo, in violation of the commitments given in the Agreement;
- the option to withdraw early from the Agreement, subject to prior notification of the remaining parties; and
- consultation between the parties to the Agreement prior to exercising the voting rights conferred by the Eurazeo shares held.

This Agreement reached the end of its initial term on December 31, 2013 and is now tacitly renewed for successive periods of three years.

6.4.2 AGREEMENTS ENTERED INTO BY EURAZEO

Agreements entered into by Eurazeo and reported to the AMF

AccorHotels shareholders' agreement

On May 4, 2008, Legendre Holding 19 SAS (a subsidiary of Eurazeo) and Colony Capital (through ColDay) entered into a shareholders' agreement pertaining to their investments in AccorHotels, in conjunction with the joint action resulting from the memorandum of understanding signed on January 27, 2008 (AMF notice no. 208C0875).

Following the sale by ColDay of its entire investment in AccorHotels, the shareholders' agreement was automatically terminated and the joint action ended on January 31, 2017 (AMF notice no. 217C03).

A shareholders' agreement was signed on June 27, 2008 with ECIP Agree SARL, a Luxembourg-registered company formed for the purpose of syndicating the investment in AccorHotels held by Legendre Holding 19, which is controlled by Eurazeo. This agreement provides that in the event of disposal by Eurazeo of its shares, the investors would sell their shares to the third-party buyer on a *pari passu* basis with Eurazeo, in proportion to their investment in Legendre Holding 19. In addition, Eurazeo holds pre-emptive rights in the event of a third party offer on all or part of the Legendre Holding 19 shares held by one or several investors.

Elis shareholders' agreement

Following the Elis IPO, Eurazeo and ECIP Elis Sarl entered into a shareholders' agreement on March 23, 2015 governing their investment in Elis.

Under the terms of this agreement, Eurazeo and ECIP Elis Sarl agreed that in the event of the disposal of all or part of the investment held by Eurazeo or ECIP Elis Sarl in the company, Eurazeo and ECIP Elis Sarl would sell their respective investments in Elis at the same time and under the same financial and legal terms and conditions.

The parties declared that they did not act in concert with respect to Elis within the meaning of Article L. 233-10 of the French Commercial Code.

The shareholders' agreement will continue in effect as long as both parties hold shares in Elis.

Both parties may terminate the agreement by notifying the other party in writing three months prior to the effective date of termination.

Europcar Groupe shareholders' agreement

Following the Europcar Groupe IPO, Eurazeo and ECIP Europcar Sarl entered into a shareholders' agreement on July 31, 2015 governing their investment in Europcar Groupe.

Under the terms of this agreement, Eurazeo and ECIP Europcar Sarl agreed that in the event of the disposal of all or part of the investment held by Eurazeo or ECIP Europcar Sarl in Europcar Groupe, Eurazeo and ECIP Europcar Sarl would sell their respective investments in Europcar Groupe at the same time and under the same financial and legal terms and conditions.

The parties declared that they did not act in concert with respect to Europcar Groupe within the meaning of Article L. 233-10 of the French Commercial Code.

The shareholders' agreement will continue in effect as long as both parties hold shares in Europcar Groupe.

Both parties may terminate the agreement by notifying the other party in writing three months prior to the effective date of termination.

Other shareholders' agreements

Asmodee shareholders' agreement

In conjunction with the investment by Eurazeo in Legendre Holding 33 SAS (renamed Asmodee Holding SAS), which in turn purchased the entire share capital of Asmodee Group, a shareholders' agreement was entered into on January 21, 2014 by all Asmodee Holding SAS shareholders.

Under the terms of this agreement, Eurazeo holds the majority of seats on the Supervisory Board of the company. A certain number of major decisions must be presented by management to the Supervisory Board. Shareholders other than Eurazeo may not transfer their shares without the agreement of Eurazeo during a period of 10 years from the signature of the agreement (8 years in the case of the financial co-investors), except for certain authorized transfers. In addition, the agreement includes mechanisms organizing pre-emptive and tag-along rights between all or certain shareholders. Eurazeo also has specific rights regulating the long-term exit of investors and the stock market listing of the company. Finally, contractual provisions govern potential dilution mechanisms between shareholders.

Standard promises to buy and sell shares were entered into between Eurazeo and company management in respect of the shares they hold in the entities that are direct or indirect shareholders in Asmodee Group.

This agreement was entered into for a period of 15 years.

Atalante/Capzanine shareholders' agreement

On December 9, 2015, Eurazeo and all Atalante shareholders entered into an agreement organizing the governance of the company and setting rules relating to the transfer of shares. This agreement also includes commitments by Eurazeo to subscribe to future fund raising by Atalante. This agreement was entered into for a period of 20 years.

Desigual shareholders' agreement

In conjunction with the investment by Legendre Holding 29 SAS (a Eurazeo subsidiary assuming the rights of Legendre Holding 34 SAS) in Abasic, SL (Desigual), a shareholders' agreement was entered into on March 17, 2014 with Vida es Chula ("LVECh") and its CEO, Thomas Meyer. This agreement came into force on July 9, 2014.

The shareholders' agreement primarily comprises the following clauses regulating between the parties the rules governing potential sales of Desigual shares. Except for usual share transfers, the shareholders have given a number of commitments to hold their shares. In addition, Legendre Holding 29 enjoys specific rights guaranteeing a minimum value for Desigual based on which it could be required to sell its shares as part of an overall sale or have them bought back by the controlling shareholder.

The agreement also includes certain provisions pertaining to the governance of Desigual (members of the Board of Directors, method of appointing senior executives, prior authorization of certain decisions by the Board of Directors).

This agreement was not entered into for a specific period, but will expire, in particular, in the event of an initial public offering.

ECIP M/Moncler shareholders' agreement

The initial shareholders' agreement expired on October 15, 2016 and ECIP M entered into a new shareholders' agreement with Ruffini Participazioni Holding S.r.l., Ruffini Participazioni S.r.l. and Remo Ruffini on October 14, 2016. This agreement sets out provisions pertaining to the governance of the Moncler group, as well as share disposal rules. As of December 31, 2016, ECIP M holds two seats on the Board of Directors, including an independent director and can jointly appoint, together with Ruffini Participazioni, two directors out of a total of eleven. The number of directors' seats reserved for ECIP M may vary in line with ECIP M's percentage interest in Moncler. Subject to the retention of its investment in ECIP M above a certain threshold, the parties to the shareholders' agreement must be consulted in respect of certain company decisions prior to their presentation to a Shareholders' Meeting or the Board of Directors. With regards to share disposals, ECIP M SA enjoys tag-along rights with the Ruffini entities under certain situations. This agreement came into effect on October 16, 2016 for a period of three years. It is governed by Italian law and a description of the agreement is available on the Italian stock market website (www.consob.it).

ECIP SPW/Spring shareholders' agreements

Eurazeo entered into an Investors' Agreement on December 16, 2013 with all the co-investors of ECIP SPW SA, a Luxembourg-registered company grouping together Eurazeo, the Eurazeo Partners funds and other co-investors. This agreement includes commitments given by the joint partners to hold their shares for a minimum period, at the end of which any disposal project will be subject to a pre-emptive mechanism in favor of Eurazeo. Should Eurazeo sell its shares in ECIP SPW, the partners will enjoy tag-along rights. Eurazeo also has drag-along rights under which it can force the other partners to sell all their shares. The agreement was entered into for a period of 14 years and is governed by Luxembourg law.

Financière Truck (Investissement) shareholders' agreement

In conjunction with Eurazeo's investment in Financière Truck (Investissement) ("FTI"), which controls 99% of the share capital and voting rights of Fraikin Groupe, Eurazeo entered into a shareholders' agreement for a period of 15 years on February 15, 2007 with Financière Truck SARL. (the "Financial Investor"), the co-investors (including Eurazeo Co-Investment Partners SCA) (collectively referred to with Eurazeo as the "Co-Investors"), the managers of Fraikin Groupe and Frinvest (the "Managers").

There are no pre-emptive rights in the event of the sale of shares by the Financial Investor or Eurazeo to third parties. However, the shareholders (other than Eurazeo) enjoy pre-emptive rights in the event of the sale of shares by a shareholder other than the Financial Investor (and its affiliates) or Eurazeo to other shareholders or to third parties.

In the event of a sale of shares by the Financial Investor, the shareholders have a proportional tag-along right or a full tag-along right if the Financial Investor reduces its investment below 50% of the FTI voting rights.

If the Financial Investor transfers more than 50% of the FTI shares and voting rights to a third party, the Financial Investor would be entitled to exercise a drag-along right forcing the other shareholders to sell their shares, but this would apply to Eurazeo only if the Financial Investor were to sell all of its FTI shares.

The FTI Shareholders' Agreement also includes certain provisions pertaining to the governance of FTI (members of the Supervisory Board and of the Strategy, Compensation and Audit Committees, prior approval by the Supervisory Board of certain strategic decisions).

Fintrax investment protocol

In conjunction with the acquisition of the Fintrax group, Legendre Holding 44 SAS (a subsidiary of Eurazeo) signed an investment protocol with the key managers of the Fintrax group on December 16, 2015, stipulating the main terms and conditions of their investment and shareholder relations within the Fintrax group ultimate holding company. Under the terms of this protocol, Legendre Holding 44 SAS holds the majority of seats on the Boards of Directors of the group companies and a right of veto over certain major decisions. Managers may not transfer their shares, except in the event of departure, reorganization of the group or transfer by Legendre Holding 44 of all or part of its shares (triggering management tag-along and drag-along rights). The protocol also provides for Legendre Holding SAS's exit after a period of 5 years.

Management granted a number of exclusivity commitments, as well as commitments with respect to non-competition and non-solicitation covering group employees, clients and suppliers, for a period of 12 months following departure.

The investment protocol will remain in effect until Legendre Holding 44 SAS's exit. It is governed by UK law.

Fonroche shareholders' agreement

In conjunction with the acquisition of the investment in Fonroche Énergies SAS, Eurazeo entered into a shareholders' agreement for a period of 10 years with Yann Maus and Daniel Arnault on May 5, 2010. Legendre Holding 25 (a subsidiary of Eurazeo) joined this agreement on acquiring Eurazeo's investment. This agreement contains certain provisions pertaining to the governance of Fonroche Énergies. It also includes a lock-up period of 5 years. Furthermore, the agreement contains mechanisms organizing the liquidity of their investments including under certain conditions partial or full tag-along rights and reciprocal pre-emptive rights. The founders of Fonroche Énergies also gave commitments to Eurazeo with respect to non-competition and non-solicitation of employees.

This shareholders' agreement was terminated on February 2, 2017.

Grape Hospitality Shareholders' Agreement

In conjunction with the partnership with AccorHotels Luxembourg SA (hereinafter "AccorHotels"), Eurazeo Real Estate Luxembourg (hereinafter "EREL") and EREL 1 SÀRL, subsidiaries of Eurazeo, entered into a shareholders' agreement with AccorHotels and group management on June 22, 2016, in respect of their investment in Grape Hospitality Holding (hereinafter "GHH"). This 15-year shareholders' agreement organizes the governance of GHH and sets the rules relating to the transfer of GHH shares, stipulating lock-up periods, a prior approval procedure, first bid, pre-emptive and full tag-along rights and a drag-along obligation.

Pursuant to the syndication of EREL 1 SÀRL's investment in GHH, AccorHotels also granted EREL 1 SÀRL a call option over 10% of the share capital and voting rights of GHH that may be exercised no later than March 31, 2017.

On December 15, 2016, EREL syndicated a portion of its investment in EREL 1 SÀRL to the Jacquier group. Accordingly, EREL entered into a shareholders' agreement with EUROPE HOTELS SNC, a Jacquier group company, covering their shareholder relationship within EREL 1 SÀRL. This agreement sets out restrictions on the transfer of EREL 1 SÀRL shares with a lock-up period, pre-emptive rights, full tag-along rights and a drag-along obligation. This shareholders' agreement also organizes the liquidity of shareholders' investments.

IES shareholders' agreements

In conjunction with the acquisition of control of the IES group, Legendre Holding 30 (a subsidiary of Eurazeo) entered into shareholders' agreements with senior executives at IES level and at the level of the company representing them on June 24, 2013. These agreements also include certain provisions pertaining to the governance of IES and the company representing the senior executives and give Legendre Holding 30, in this respect, a right of veto over certain major decisions. The senior executives have undertaken not to sell their shares during a period of ten years, except in certain contractually-defined circumstances. In particular, Legendre Holding 30 has pre-emptive rights in the event of a planned sale of shares and drag-along rights under which it can force minority interests to sell their shares.

In addition, the senior executives have given certain commitments to Legendre Holding 30 protecting the company from any competitive activity by them.

These agreements were entered into for a period of 15 years.

IM Square shareholders' agreement

In conjunction with the acquisition of the investment in IM Square, Legendre Holding 36 (a subsidiary of Eurazeo) entered into a shareholders' agreement with Amundi Ventures, La Maison and the Founders for a period of 20 years on June 8, 2015. This agreement contains certain provisions pertaining to the governance of IM Square. It also includes a lock-up period. Furthermore, the agreement contains mechanisms organizing the liquidity of their investments including under certain conditions partial or full tag-along rights and reciprocal pre-emptive rights.

I Pulse Inc. shareholders' agreement

In conjunction with the acquisition of the investment in I Pulse Inc., Legendre Holding 26 (a subsidiary of Eurazeo) entered into a shareholders' agreement with Ivanhoe Industries LLC on August 15, 2012. Each party to this agreement holds pre-emptive rights and tag-along rights in the event of the sale of shares by another party. Legendre Holding 26 enjoys anti-dilution and "registration rights" clauses subject to conditions. This agreement also includes certain provisions pertaining to the governance of I Pulse Inc., with Legendre Holding 26 holding a seat on the Board of Directors and a right of veto over certain major decisions. Subject to certain reservations in the event of a long-term exit, the founders of I Pulse Inc. may require Legendre Holding 26 to sell its investment. Finally, Legendre Holding 26 holds specific rights concerning future changes in the share capital of the B-Max division.

In addition, Laurent Frescaline and Robert Friedland, the founders of I Pulse Inc., have given certain commitments to Legendre Holding 26 protecting the company and Legendre Holding 26 from any competitive activity by them.

This shareholders' agreement shall remain in effect as long as Legendre Holding 26 holds shares in I Pulse Inc. and these shares are not listed on a regulated market.

Les Petits Chaperons Rouges (LPCR) shareholders' agreement

On March 29, 2016, Legendre Holding 47 SAS (a subsidiary of Eurazeo) and Eurazeo SA entered into a shareholders' agreement with the other shareholders in GRANDIR SAS – which holds the entire share capital and voting rights of LPCR Groupe SAS – for a period of 16 years, organizing the governance of GRANDIR SAS and setting the rules relating to the transfer of shares.

Under this agreement, Legendre Holding 47 SAS holds two seats on the Supervisory Board and a right of veto over certain major decisions. With regard to share transfers, the agreement provides for a period of shareholding stability (direct and indirect) and includes a ban on the sale of shares to a competitor, first and second bid rights, full and proportional tag-along rights and a drag-along obligation. It organizes the liquidity of shareholders' investments.

The founder also gave commitments to Legendre Holding 47 SAS with respect to non-competition and non-solicitation of employees.

On the entry of certain group managers and employees (hereinafter the "Managers") into the share capital of GRANDIR SAS, through dedicated Manager companies, Legendre Holding 47 SAS and the founder's holding company entered into a contractual commitment with the Managers on December 9, 2016 regarding the shares in the Manager companies, under the terms of which the Managers accepted a lock-up period of ten years, granted pre-emptive rights and accepted a drag-along obligation and received in return full tag-along rights. They also give non-competition commitments. The contractual commitment also contains purchase and sale commitments in the event of departure of the Managers.

NEOVIA shareholders 'agreement

In conjunction with the investment in NEOVIA, a shareholders' agreement was entered into on April 7, 2015 by Eurazeo and Legendre Holding 35 (a Eurazeo subsidiary) with all NEOVIA shareholders.

This agreement organizes the governance of NEOVIA and sets down rules relating to the transfer of shares after a four-year lock-up period. It also includes certain non-competition commitments binding each of the parties.

This agreement was entered into for a period of 15 years.

Novacap shareholders' agreement

In conjunction with the acquisition of the Novacap group, LH Novacap SAS, a subsidiary of Eurazeo, entered into a shareholders' agreement with Novacap Group Holding SAS (NGH) on June 22, 2016, organizing the governance of NGH and setting the rules relating to the transfer of NGH shares. The 15-year shareholders' agreement provides for a lock-up period for the shareholders other than LH Novacap SAS, first bid rights, pre-emptive rights, full and proportional tag-along rights and drag-along obligations. The agreement also organizes the liquidity of the investments of co-investors.

LH Novacap SAS and its co-investors also granted NGH a preferential right over any proposed acquisition by a competitor considered in particular by Eurazeo Capital and gave non-competition and non-solicitation of employees commitments.

PeopleDoc shareholders' agreement

In conjunction with the acquisition of the investment in PeopleDoc (Novapost SAS), Legendre Holding 43 SAS (a subsidiary of Eurazeo) entered into a shareholders' agreement with the other shareholders for a period of 20 years on September 29, 2015. This agreement contains certain provisions pertaining to the governance of Novapost SAS. Furthermore, the agreement contains mechanisms organizing the liquidity of their investments including under certain conditions partial or full tag-along rights and reciprocal pre-emptive rights.

Vestiaire Collective shareholders' agreement

In conjunction with the acquisition of the investment in Vestiaire Collective SAS, Eurazeo entered into a shareholders' agreement with the other shareholders for a period of 10 years on June 30, 2015. Legendre Holding 42 SAS (a subsidiary of Eurazeo) joined this agreement on acquiring Eurazeo's investment.

This agreement was replaced by a new agreement on December 21, 2016 on the entry into the share capital of Vestiaire Collective of Authentic Fashion SARL (Vitruvian).

This new agreement contains certain provisions pertaining to the governance of Vestiaire Collective SAS. Furthermore, the agreement contains mechanisms organizing the liquidity of the investments of investors, including Legendre Holding 42 SAS, including under certain conditions first refusal rights, partial or full tag-along rights and drag-along obligations. The founders of Vestiaire Collective SAS also gave commitments to investors, including Legendre Holding 42 SAS, with respect to non-competition and non-solicitation of employees.

Younited shareholders' agreement

In conjunction with the acquisition of the investment in Younited (formerly Prêt d'Union SA), Legendre Holding 34 SAS (a subsidiary of Eurazeo) entered into a shareholders' agreement with the founders and other investors for a period of 10 years on April 30, 2015. This agreement contains certain provisions pertaining to the governance of Younited. It also includes a lock-up period. Furthermore, the agreement contains mechanisms organizing the liquidity of their investments including under certain conditions partial or full tag-along rights and reciprocal pre-emptive rights. The founders of Younited also gave commitments to Eurazeo and the other investors with respect to non-competition and non-solicitation of employees.

6.5 TRANSACTIONS IN THE COMPANY'S SHARES

6.5.1 2016 SHARE BUYBACK PROGRAM

A. Description of the 2016 share buyback program

a) Legal framework

The twelfth resolution of the Shareholders' Meeting of May 12, 2016 authorized Eurazeo's Executive Board to launch a share buyback program (hereinafter referred to as the "Buyback Program") in accordance with Article L. 225-209 of the French Commercial Code.

During fiscal year 2016, the Executive Board of Eurazeo implemented this Buyback Program to purchase shares. Details of these transactions are set out below.

b) Details of the Buyback Program

The Buyback Program was authorized for a period of 18 months from the Shareholders' Meeting until November 11, 2017. The maximum purchase price authorized was €100 per share and the Board was granted authorization to buy a number of shares equivalent to a maximum of 10% of Eurazeo's share capital on the date of such purchases.

In accordance with applicable regulations and stock exchange practices approved by the French Financial Markets Authority (AMF) in May 2016, the Buyback Program was established with a view to:

- canceling shares, in accordance with the authorization granted to the Executive Board at the Extraordinary Shareholders' Meeting;
- market-making in the Company's shares under a liquidity contract with an independent investment service provider, in accordance with the French Financial Markets Authority's Code of Ethics;
- granting shares to employees and corporate officers of the Company and/or of companies either related to Eurazeo or which will be related to it in the future, as allowed by law, particularly with respect to exercising share purchase options, granting free shares or profit sharing;
- remitting or exchanging shares when the rights attached to debt instruments that entitle holders to receive Eurazeo shares are exercised;
- retaining or using shares in exchange or as payment for potential future acquisitions;
- undertaking any other transaction approved or recognized by the law and/or the Financial Markets Authority and any goals consistent with prevailing regulations.

The twelfth resolution of the Shareholder's Meeting of May 6, 2015 authorized the Executive Board, for a period of twenty-six months from the date of the Shareholders' Meeting, to decrease the share capital, in one or more transactions, by cancelling some or all of the shares purchased under the Company's share buyback program, up to a maximum of 10% of the share capital by 24-month period.

B. Buyback of shares by Eurazeo during fiscal year 2016

Eurazeo bought back 4,777,664 shares at an average price of €54.16 per share and a total cost of €258,776,291.26 during fiscal year 2016 as follows:

a) Buyback of shares for cancellation

Eurazeo bought back 2,409,730 shares for cancellation at an average price of €52.78 per share and a total cost of €127,178,974.51 during fiscal year 2016, pursuant to the authorization granted by the twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016.

b) Buyback of shares under a liquidity contract for market-making purposes

During fiscal year 2016, a total of 843,180 shares at an average price of €54.54 per share and a total cost of €45,987,129.95 were purchased by Kepler Cheuvreux acting on behalf of Eurazeo under a liquidity contract for market-making purposes.

Of these shares, 329,473 were purchased at an average price of €56.16 per share and a total cost of €18,501,854.94 pursuant to the authorization granted by the ninth resolution adopted by the Shareholders' Meeting of May 6, 2015. A further 513,707 shares were purchased at an average price of €53.50 per share and a total cost of €27,485,275.01 pursuant to the authorization granted by the twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016.

c) Buyback of shares for grant to employees and corporate officers

During fiscal year 2016, Eurazeo bought back 10,184 shares at an average price of €57.70 per share and a total cost of €587,616.80 for grant to holders of share purchase options or as free shares pursuant to the authorization granted by the twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016.

d) Buyback of shares for remittance or exchange when rights attached to debt instruments are exercised

During fiscal year 2016, Eurazeo did not purchase any of its own shares for the purpose of remittance or exchange when rights attached to debt instruments are exercised.

e) Buyback of shares for retention and use in future acquisitions

During fiscal year 2016, Eurazeo purchased 1,514,570 shares at an average price of €56.14 per share and a total cost of €85,022,570.00 for retention and use in future acquisitions.

Of these shares, 1,360,780 were purchased at an average price of €56.04 per share and a total cost of €76,260,102.00 pursuant to the authorization granted by the ninth resolution adopted by the Shareholders' Meeting of May 6, 2015. A further 153,790 shares were purchased at an average price of €56.98 per share and a total cost of €8,762,468.00 pursuant to the authorization granted by the twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016.

C. Sales of shares in fiscal year 2016

During fiscal year 2016, due to the exercise of Eurazeo share purchase options and the delivery of free shares, Eurazeo sold 313,350 shares at an average price of €35.76 per share, representing a total of €11,204,153.25.

During fiscal year 2016, a total of 857,340 shares at an average price of €54.77 per share and a disposal price of €46,958,063.92 were sold by Kepler Cheuvreux acting on behalf of Eurazeo under a liquidity contract for market-making purposes.

D. Share buyback details

During fiscal year 2016, Eurazeo bought back 3,934,484 shares at an average price of €54.08 per share and a total cost of €212,789,161.31, directly on the market.

Eurazeo also bought back 843,180 shares at an average price of €54.54 per share and a total cost of €45,987,129.95 under a liquidity contract.

Eurazeo did not use derivative instruments to purchase shares during this period.

E. Potential reallocations

During its meeting of June 22, 2016, the Executive Board decided to reallocate 1,764,736 shares purchased under the share buyback program for retention and use in future acquisitions and record them in securities in the course of cancellation in the accounts.

F. Cancellation of shares by Eurazeo

Eurazeo cancelled 3,969,449 shares in fiscal year 2016.

In accordance with prevailing law and in light of the number of shares already cancelled, Eurazeo may cancel 1.15% of its share capital up to December 22, 2017.

G. Brokerage fees

The Company spent €148,541.11, excluding VAT, on brokerage fees in respect of its share buyback program in fiscal year 2016.

6.5.2 DESCRIPTION OF THE 2017 BUYBACK PROGRAM SUBJECT TO THE APPROVAL OF THE SHAREHOLDERS' MEETING OF MAY 11, 2017 IN ACCORDANCE WITH ARTICLES 241-2 AND 241-3 OF THE AMF'S GENERAL REGULATIONS

The thirteenth resolution subject to the approval of the Shareholders' Meeting of May 11, 2017 (see Section 7.4, Draft Resolutions, of this Registration Document, p. 389), invites shareholders to adopt a share buyback program in accordance with the provisions of Article L. 225-209 of the French Commercial Code.

As of December 31, 2016, the Company directly owned 2,467,422 shares, representing 3.54% [1] of its share capital. In accordance with prevailing laws and regulations, these shares do not confer dividend or voting rights.

Eurazeo's subsidiaries do not own any Eurazeo shares, either directly or indirectly.

The Company plans to cancel 205,017 of these 2,467,422 shares. 12,157 shares were purchased on behalf of Eurazeo under the liquidity contract and 2,250,248 shares are allocated for grant to holders of share purchase options or as free shares to employees or corporate officers of the Company and/or its subsidiaries.

In accordance with prevailing regulations and professional market practices as approved by the Financial Markets Authority (AMF), and as set out in the thirteenth resolution subject to the approval of the Shareholders' Meeting of May 11, 2017, the buyback program covers:

1. canceling shares, in accordance with the authorization granted to the Executive Board at the Extraordinary Shareholders' Meeting;
2. market-making in the Company's shares under a liquidity contract with an independent investment service provider, in accordance with the French Financial Markets Authority's Code of Ethics;
3. granting shares to employees and corporate officers of the Company and/or of companies either related to Eurazeo or which will be related to it in the future, as allowed by law, particularly with respect to exercising purchase options, granting free shares or profit sharing;
4. remitting or exchanging shares when the rights attached to debt instruments that entitle holders to receive Eurazeo shares are exercised;
5. undertaking any other transaction approved or recognized by the law and/or the Financial Markets Authority and any goals consistent with prevailing regulations.

The Company may also use this authorization with a view to retaining or using shares in exchange or as payment for potential future acquisitions

These objectives are the same as those set out in the previous share buyback program approved by the twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016. The full text of the twelfth resolution adopted by the Shareholders' Meeting of May 12, 2016 can be found on p. 279 of the 2015 Registration Document (no. D. 16-0307) filed with the AMF on April 8, 2016.

(1) Based on 69,704,094 shares outstanding as of December 31, 2016.

The authorization granted to the Board with respect to the buyback program limits purchases to 10% of the share capital on the date of such purchases, as calculated in accordance with applicable laws and regulations, provided, however, that the total number of the Company's own shares held by it following such purchases does not exceed 10% of the share capital. On the basis of the Company's share capital at December 31, 2016, that ceiling would be 6,970,409 shares.

The share buyback program provides for a maximum authorized purchase price of €100 per share.

The total cost of share buybacks is therefore capped at €697,040,940 [1]. In the event of changes in the Company's share capital, resulting, in particular, from the capitalization of reserves, granting of bonus shares, stock splits or reverse splits, the above price will be revised accordingly.

In addition, the share buyback program would run for a period of 18 months commencing the Shareholders' Meeting of May 11, 2017, when shareholders will be asked to adopt it, *i.e.* until November 10, 2018.

The following table lists the share buybacks performed by the Company under the previous buyback program. No shares were purchased using derivative instruments.

PURCHASES AND SALES OF ITS OWN SHARES BY EURAZEO UNDER THE BUYBACK PROGRAM BETWEEN JANUARY 1ST AND DECEMBER 31, 2016

	Gross transactions		Open positions as of December 31, 2016			
	Purchases	**Sales** [1]	**Share purchase options purchased**	**Forward purchases**	**Share purchase options sold**	**Forward sales**
Number of shares	4,777,664 [2]	1,170,690 [3]	-	-	-	-
Maximum average maturity	-	-	-	-	-	-
Average transaction price *(in euros)*	54.16	49.62	-	-	-	-
Average strike price	-	-	-	-	-	-
Amount *(in euros)*	258,776,291.26	58,085,606.74 *	-	-	-	-

(1) Including the delivery of shares to employees pursuant to the 2014 free share grant.
(2) Including 843,180 shares purchased under the liquidity contract.
(3) Including 857,340 shares sold under the liquidity contract.
** Cost price.*

(1) Based on the share capital as of December 31, 2016.

6.6 FACTORS AFFECTING A POTENTIAL TAKEOVER BID

BOARD AUTHORIZATION TO ISSUE BONUS SHARE WARRANTS IN THE EVENT OF A TAKEOVER BID

The eighteenth resolution subject to the approval of the Shareholders' Meeting of May 11, 2017 (see Section 7.4, "Draft Resolutions", of this Registration Document, p. 391), invites shareholders to renew the Executive Board's authorization to issue bonus share warrants, in one or more transactions, in the event of a takeover bid targeting the shares of the Company, as initially granted by the Shareholders' Meeting of May 12, 2016. These bonus share warrants would be allocated to all eligible shareholders before the expiry of the takeover bid, enabling them to subscribe to Company shares on preferential conditions.

Pursuant to this authorization, the maximum number of share warrants that may be issued is equal to the number of shares outstanding at the time the warrants are issued. The maximum par value amount of the share capital increase that may result from the exercise of all warrants issued is €200,000,000 (subject to potential adjustments).

The Shareholders' Meeting of May 12, 2016 granted the current authorization for a period of 18 months ending November 11, 2017.

If this authorization is approved by the Shareholders' Meeting of May 11, 2017, it will be renewed for a maximum share capital increase amount resulting from the exercise of warrants reduced by half to €100,000,000 and will be granted for a period of 18 months commencing the Shareholders' Meeting and expiring November 10, 2018.

LOAN AGREEMENT

On June 27, 2014, Eurazeo entered into a €1 billion syndicated credit facility. As the two extension options have been accepted, this facility will mature on June 27, 2021. The documentation for this loan agreement includes the usual legal and financial commitments typical of such transactions. These provide the possibility for each bank to give notification of the termination of its commitment and require the early repayment of its share in the outstanding balance in the event of acquisition, directly or indirectly, of more than 50% of the share capital or voting rights of the Company by one or more individuals acting alone or in concert (other than members of the shareholders' agreement reported to the AMF [(1)], Crédit Agricole group entities or Sofina).

CO-INVESTMENT CONTRACTS

As part of the co-investment programs described in Section 3.7, p. 219 of this Registration Document, Eurazeo granted each beneficiary a put option covering all shares held by the beneficiary in CarryCo Croissance, CarryCo Croissance 2, CarryCo Capital 1 and CarryCo Patrimoine and exercisable, in particular, during a period of 90 days following the occurrence of a Change in Control of Eurazeo defined as (i) the acquisition of control of Eurazeo by one or more third parties acting alone or in concert, or (ii) the dismissal by one or more third parties acting alone or in concert of more than half the members of Eurazeo's Supervisory Board at the Company's Shareholders' Meeting.

EURAZEO PARTNERS

In an effort to increase its third-party fund management activity, Eurazeo created two Luxembourg-registered private equity funds (SICAR): Eurazeo Partners SCA SICAR and Eurazeo Partners B SCA SICAR to invest alongside Eurazeo. These two companies are managed by Eurazeo Management Lux SA.

The incorporation documents of these two companies, stipulate that a change in control of Eurazeo can lead to the dismissal of the fund manager.

SHARE PURCHASE OPTIONS/PREFERENCE SHARES

At meetings held on June 4, 2007, May 20, 2008, June 2, 2009, May 10, 2010, May 31, 2011, May 14, 2012, May 7, 2013, June 17, 2014, June 29, 2015, May 13, 2016 and January 31, 2017, the Executive Board decided to grant Company share purchase options, in accordance with the delegations granted by the Shareholders' Meetings of May 3, 2007, May 7, 2010, May 7, 2013 and May 12, 2015 and the authorization granted by the Supervisory Board at its meetings of March 22, 2007, March 27, 2008, March 26, 2009, March 19, 2010, March 24, 2011, March 15, 2012, March 19, 2013, March 18, 2014, March 13, 2015, March 15, 2016 and December 8, 2016.

As stipulated in the option agreement, such purchase options shall vest early and be exercisable immediately, under the following circumstances:

(i) the filing of a takeover bid targeting the Company's shares deemed compliant by the French Financial Markets Authority (AMF);

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(1) Shareholders' agreement between Michel David-Weill, Quatre Soeurs LLC (replacing the Michel David-Weill Trust 2001), the undivided estate of Michel David-Weill's children, Palmes CPM SA, Constance Broz de Solages, Amaury de Solages, Jean-Manuel de Solages, Martine Bernheim-Orsini, Cynthia Bernheim (assuming the rights of Pierre-Antoine Bernheim), Alain Guyot and Hervé Guyot (AMF notice no. 211C0404).

(ii) the takeover of the Company involving: (i) a change in control within the meaning of Article L. 233-3 of the French Commercial Code; (ii) a change in the majority of members of the Supervisory Board at the same time and upon the initiative of a new shareholder or new shareholders acting in concert; or (iii) the direct or indirect ownership by a company of more than 30% of the Company's voting rights, together with a change of more than 20% of the members of the Executive Board and the Supervisory Board over a nine-month period;

(iii) the dismissal of more than half the members of the Company's Supervisory Board by the Shareholders' Meeting.

In all of these cases, the options may only vest to the beneficiary and become immediately exercisable if he/she has received regular grants of share purchase or subscription options for more than two years.

Furthermore, the excise of options will remain, where applicable, subject to the attainment of the performance conditions (as described in Section 7.1 of this Registration Document) in accordance with the following conditions, at the initiative of the beneficiary:

(i) within a two-month period of the event, by applying the Eurazeo performance conditions over a period commencing from the option grant date and expiring on the date of the event; or

(ii) from the expiry of the vesting period, by applying the Eurazeo performance conditions over a four-year period commencing from the grant date.

With regards to the free grant of ordinary shares and preference shares (hereinafter "Performance Shares") issued under the 2014, 2015, 2016 and 2017 share purchase option plans, the rules governing the Performance Shares grant plans stipulate, in particular, that should one of the following events occur before the end of the vesting period:

(iii) the filing of a takeover bid targeting the shares of the Company deemed compliant by the French Financial Markets Authority (AMF);

(iv) the takeover of the Company involving: (i) a change in control within the meaning of Article L. 233-3 of the French Commercial Code; (ii) a change in the majority of members of the Supervisory Board at the same time and upon the initiative of a new shareholder or new shareholders acting in concert; or (iii) the direct or indirect ownership by a company of more than 30% of the Company's voting rights, together with a change of more than 20% of the members of the Executive Board and the Supervisory Board over a nine-month period;

(v) the dismissal of more than half the members of the Company's Supervisory Board by the Shareholders' Meeting.

The vesting of the Performance Shares will remain, where applicable, subject to the attainment of the performance conditions in accordance with the following conditions, at the initiative of the beneficiary:

- by applying the Eurazeo performance conditions over a period commencing from the Performance Shares grant date and expiring on the date of the event, and this within two months of the event at the latest; or
- by applying the Eurazeo performance conditions over a two-year period commencing from the Performance Shares grant date.

Irrespective of the beneficiary's choice regarding the performance condition application period, the Performance Shares will only vest after the vesting period provided for in the plan.

EURAZEO CAPITAL II

As part of its third-party fund management activity, Eurazeo created an investment fund, Eurazeo Capital II, in the form of a Luxembourg-registered special limited partnership, to syndicate a portion of its investments in the companies comprising its 2014-2017 investment portfolio. This company is managed by Eurazeo Capital II General Partner, a Luxembourg-registered limited liability company wholly-owned by Eurazeo. The Limited Partnership Agreement, which is the incorporating document, stipulates that the investment period for the additional investments will automatically end in the event of a change in control of Eurazeo defined as a hostile takeover (takeover bid for the entire share capital receiving a negative recommendation from the Supervisory Board) combined with the departure of more the half the members of the Executive Committee, in the absence of their replacement within six months.

In addition, share purchase commitments have been given by Eurazeo and each of the members of the Executive Committee and the investment team providing notably for the purchase by Eurazeo of A and C shares in the event of a change in control of Eurazeo defined as (i) the acquisition of control of Eurazeo by one or more third parties acting alone or in concert, or (ii) the dismissal by one or more third parties acting alone or in concert of more than half the members of Eurazeo's Supervisory Board at the Company's Shareholders' Meeting.

6.7 ADDITIONAL INFORMATION

6.7.1 STATEMENT BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Person responsible for the Registration Document

Patrick Sayer, Chairman of the Executive Board

Statement by the person responsible for the Registration Document including the Annual Financial Report

I hereby certify that to the best of my knowledge and having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is true and fair and does not contain any omission likely to affect its import.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all consolidated companies, and that the Executive Board's report presented on page 420 provides a fair review of the development and performance of the business, results and financial position of the Company and all consolidated companies, together with an accurate description of the principal risks and uncertainties they face.

I obtained an audit letter from the Statutory Auditors, PricewaterhouseCoopers Audit and Mazars, in which they indicated that they have verified the information regarding the financial position and the financial statements contained herein, and have read the entire Registration Document.

Patrick Sayer

Chairman of the Executive Board

6.7.2 PARTIES RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Principal and alternate Statutory Auditors (6-year term).

	Start date of term	Date of last renewal of term	End date of term: Date of the Ordinary Shareholders' Meeting indicated below
Principal Statutory Auditors			
Mazars Member of the Versailles Statutory Auditors Council 61, rue Henri Régnault 92400 Courbevoie represented by: Guillaume Potel and Emilie Loréal	05/18/2011		2017 (1)
PricewaterhouseCoopers Audit Member of the Versailles Statutory Auditors Council 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex represented by: Pierre Clavié	12/20/1995	05/07/2014	2020
Alternate Statutory Auditors			
Mr. Patrick de Cambourg 61, rue Henri Régnault 92400 Courbevoie	05/18/2011		2017 (2)
Mr. Jean-Christophe Georghiou 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex	05/07/2014		2020

(1) The Shareholders' Meeting of May 11, 2017 is asked to renew the term of office of Mazars as principal Statutory Auditors (12th resolution).
(2) The renewal of the term of office of the alternate Statutory Auditors is not presented to the Shareholders' Meeting of May 11, 2017.

6.7.3 RELATED-PARTY TRANSACTIONS

Related-party disclosures are presented in Note 8.1.3 to the consolidated financial statements.

Regulated agreements subject to the approval of the Supervisory Board are detailed in the Statutory Auditors' Special Report and are therefore not included in this section.

Statutory Auditors' Special Report on regulated agreements for the 2016 fiscal year

The Statutory Auditors' Special Report on regulated agreements for the 2016 fiscal year is presented on pages 407 to 414 of the Eurazeo Registration Document.

Statutory Auditors' Special Report on regulated agreements for the 2015 fiscal year

The Statutory Auditors' Special Report on regulated agreements for the 2015 fiscal year is presented on pages 328 to 336 of the Eurazeo Registration Document filed with the AMF on April 8, 2016 under reference no. D. 16-0307.

Statutory Auditors' Special Report on regulated agreements for the 2014 fiscal year

The Statutory Auditors' Special Report on regulated agreements for the 2014 fiscal year is presented on pages 319 to 326 of the Eurazeo Registration Document filed with the AMF on April 2, 2015 under reference no. D. 15-0278.

6.7.4 HISTORICAL FINANCIAL INFORMATION

In accordance with the provisions of Article 28 of European Commission (EC) regulation no. 809/2004, the following information is included by reference in this Registration Document.

Additional information concerning the consolidated financial statements for the years ended December 31, 2014 and 2015

Consolidated financial statements for the year ended December 31, 2014

The consolidated financial statements for the year ended December 31, 2014 appear on pages 148 to 220 of the Eurazeo Registration Document filed with the AMF on April 2, 2015 (under reference no. D. 15-0278).

Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2014

The Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2014 appears on page 221 of the Eurazeo Registration Document filed with the AMF on April 2, 2015 (under reference no. D. 15-0278).

Consolidated financial statements for the year ended December 31, 2015

The consolidated financial statements for the year ended December 31, 2015 appear on pages 160 to 225 of the Eurazeo Registration Document filed with the AMF on April 8, 2016 (under reference no. D. 16-0307).

Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2015

The Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2015 appears on pages 226 and 227 of the Eurazeo Registration Document filed with the AMF on April 8, 2016 (under reference no. D. 16-0307).

Additional information concerning the Company financial statements for the years ended December 31, 2014 and 2015

Company financial statements for the year ended December 31, 2014

The Company financial statements for the year ended December 31, 2014 appear on pages 224 to 252 of the Eurazeo Registration Document filed with the AMF on April 2, 2015 (under reference no. D. 15-0278).

Statutory Auditors' report on the Company financial statements for the year ended December 31,2014

The Statutory Auditors' report on the Company financial statements for the year ended December 31, 2014 appears on pages 253 and 254 of the Eurazeo Registration Document filed with the AMF on April 2, 2015 (under reference no. D. 15-0278).

Company financial statements for the year ended December 31, 2015

The Company financial statements for the year ended December 31, 2015 appear on pages 230 to 258 of the Eurazeo Registration Document filed with the AMF on April 8, 2016 (under reference no. D. 16-037).

Statutory Auditors' report on the Company financial statements for the year ended December 31, 2015

The Statutory Auditors' report on the Company financial statements for the year ended December 31, 2015 appears on pages 259 and 260 of the Eurazeo Registration Document filed with the AMF on April 8, 2016 (under reference no. D. 16-0307).

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SHAREHOLDERS' MEETING

7.1 SPECIAL REPORT ON SHARE SUBSCRIPTION AND PURCHASE OPTIONS (ARTICLE L. 225-184 OF THE FRENCH COMMERCIAL CODE)

1. Pursuant to the provisions of Article L. 225-184 of the French Commercial Code, Eurazeo informs you that it granted share purchase options in fiscal year 2016, under the conditions set out below:

	2016 Plan
Date of authorization by Shareholders' Meeting	05/12/2016
Date of Executive Board meeting that decided the grant (1)	05/13/2016
Type of options granted	Purchase
Total number of shares available for purchase	120,425 (3)
Total number of persons concerned	12
of which total number of shares that can be bought by Executive Board members (2)	67,723 (3)
of which total number of shares that can be purchased by the 10 employees other than corporate officers receiving the highest number of options	52,702
Number of executives (corporate officers) concerned	3
Beginning of exercise period	05/13/2020
End of lock-up period	05/12/2020
Expiry date	05/13/2026
Discount	**0%**
Strike price *(In euros)*	**57.90** (3)
Share subscription or purchase options cancelled during the fiscal year	-
TOTAL NUMBER OF OPTIONS REMAINING TO BE EXERCISED AS OF DECEMBER 31, 2016 (4)	**120,425** (3)
AS A % OF SHARE CAPITAL AS OF DECEMBER 31, 2016	**0.17%**

(1) The grant of options to corporate officers was submitted to the prior approval of the Supervisory Board at its meeting on March 15, 2016, in accordance with the recommendations of the Compensation and Appointment Committee.
(2) These options are subject to performance conditions.
(3) Adjusted for share capital transactions.
(4) Options may be exercised for one share each.

2. Share subscription or purchase options granted to corporate officers and outstanding as of December 31, 2016:

			Of which options granted	
	Total options (1)	**Average strike price**	**In 2015** (1)	**In 2016** (1)
Patrick Sayer (2)	1,184,550	€45.64	128,513	33,204
Philippe Audouin (3)	219,586	€47.33	29,986	11,166
Virginie Morgon (4)	394,137	€49.11	85,675	23,353

(1) Purchase options, adjusted for share capital transactions.
(2) Of which 482,240 performance-based options, including 174,340 options granted in 2013, 146,183 options granted in 2014, 128,513 options granted in 2015 and 33,204 options granted in 2016.
(3) Of which 97,281 performance-based options, including 22,395 options granted in 2013, 33,734 options granted in 2014, 29,986 options granted in 2015 and 11,166 options granted in 2016.
(4) Of which 235,271 performance-based options, including 61,023 options granted in 2013, 65,220 options granted in 2014, 85,675 options granted in 2015 and 23,353 options granted in 2016.

TERMS AND CONDITIONS OF THE 2016 PLAN

- The share purchase options (the "Options") were granted to (i) members of the Executive Board and the Executive Committee and Investment Officers of the Company, subject to performance conditions, and (ii) certain executives of the Company and its affiliates within the meaning of Article L. 225-180 of the French Commercial Code, half of which subject to performance conditions.
- The Options will vest by tranches, at the end of three successive vesting periods, subject to the continued employment of the beneficiary by the Company at the end of the relevant vesting period:
  - → the first tranche (one-half) of the Options will vest after two years, *i.e.* on May 13, 2018;
  - → the second tranche (third quarter) of the Options will vest after three years, *i.e.* on May 13, 2019;
  - → the third tranche (final quarter) of the Options will vest after four years, *i.e.* on May 13, 2020.

In addition, if the beneficiary of the Options has not been employed by the Company for at least four years at the end of one of the above-mentioned vesting periods, the Options corresponding to such period will vest in favor of the beneficiary only when the beneficiary has been employed by the Company for four years.

- The exercise of all the Options granted to members of the Executive Board and the Executive Committee and Investment Officers is subject to the attainment of performance conditions assessed at the end of the last vesting period, *i.e.* on May 13, 2020. These performance conditions which concern (i) the comparative stock market performance of the Company's share, after the add-back of dividends, against the CAC 40 index and (ii) Eurazeo's NAV performance (hereinafter the "Performance Conditions"), will determine the percentage of options available for exercise as set out below:

	< 80% (NAV/share) of the reference amount	**80% < x < 100% (NAV/share) of the reference amount**	**> 100% (NAV/share) of the reference amount**
Change in the Eurazeo share price (base 100)/ Change in the CAC 40 index (base 100) < 80%	0%	50%	75%
80% < Change in the Eurazeo share price (base 100)/ Change in the CAC 40 index (base 100) < 100%	50%	75%	100%
Change in the Eurazeo share price (base 100)/ Change in the CAC 40 index (base 100) > 100%	75%	100%	100%

Eurazeo's stock market performance will be determined over a four-year period (starting on May 13, 2016 and expiring on May 12, 2020 inclusive) by combining the change in value of the Eurazeo share and the reinvestment of ordinary dividends paid over the same period. Eurazeo's stock market performance will be compared with the stock market performance, over the same period, of the CAC 40 index.

Eurazeo's NAV performance will be determined over a four-year period by comparing the NAV per share in absolute terms as of December 31, 2015 and the NAV per share in absolute terms as of December 31, 2019, increased for dividends paid over the same period.

If the Perfomance Conditons are not attained or only partially attained, all or a portion of the Options will expire.

For other beneficiaries of the Options (employees who are not members of the Executive Board or the Executive Committee or Investment Officers), the exercise of half of the Options is subject to the attainment of the same Performance Conditions.

Options vested in favor of a beneficiary in accordance with the rules set out above are referred to hereafter as "Vested Options." Options that, at a given date, have not vested in favor of a beneficiary in accordance with the rules set out above are referred to hereinafter as "Unvested Options":

- the Vested Options may only be exercised from May 13, 2020, subject to the attainment of the Performance Conditions in accordance with the aforementioned terms and conditions, except in the event of redundancy, forced retirement, invalidity classified in social security categories 2 or 3 or death, in accordance with the provisions of Article 91 ter of Appendix II of the French General Tax Code or in the event of the occurrence of one of the Events allowing the Early Exercise of Options detailed below;
- options must be exercised within ten years, *i.e.* before May 13, 2026 inclusive, at which date any Options that have not been exercised will automatically expire;
- pursuant to the provisions of the fourth paragraph of Article L. 225-185 of the French Commercial Code, each Executive Board member is required to hold in a registered account, throughout his/her term of office, either directly or indirectly through wealth management or family structures, one-third of (i) shares resulting from the exercise of Options, and (ii) shares granted for nil consideration following the conversion of share purchase options under the 2010, 2011, 2012, 2013, 2015 and 2016 plans and, when applicable (iii) ordinary shares resulting from the conversion of preference shares following the conversion of share purchase options under the 2014 and 2015 plans, until the Eurazeo shares owned and held by the Executive Board member in any respect, represent an amount equal to:
  - → for the Chairman of the Executive Board, three times the amount of his last fixed annual compensation,
  - → for other members of the Executive Board, two times the amount of their last fixed annual compensation,

  taking into account for this calculation the share price (i) on each exercise of the options, (ii) at the end of each holding period for performance shares and (iii) on the conversion of preference shares.

  The attainment of these shareholding levels will be assessed twice annually on July 1 and December 31 of each year. This rule is applicable to the exercise of all options granted and not yet exercised, irrespective of the option plan, until the end of the term of office of the corporate officer. It supersedes, when applicable, any holding obligations contained in previous plans;

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- should a beneficiary leave the Company, any Unvested Options held by the beneficiary at the date of departure (as the beneficiary has not been employed by the Company for four years and/or the departure date is before one or several of the aforementioned vesting periods) will automatically expire, except in the following situations:
  - → retirement at the initiative of the beneficiary or the Company; retirement does not lead to the early vesting of Options which continue to vest at the end of three successive vesting periods,
  - → the beneficiary is called on to exercise functions in another Group company (*i.e.* in a company controlled by Eurazeo within the meaning of Article L. 233-1 of the French Commercial Code); the presence conditions for future vesting periods will therefore be assessed with respect to this other company,
  - → formal agreement of the Executive Board, at the recommendation of the Compensation and Appointment Committee (for Executive Board members only), cancelling the expiry of Unvested Options in favor of the beneficiary, in accordance with the terms and conditions set out by the Executive Board; the aforementioned agreement of the Executive Board does not lead to the early vesting of Options which continue to vest at the end of three successive vesting periods.

  In the above cases, the exercise of the Vested Options remains subject to the attainment of the Performance Conditions as defined previously;
- should one of the following events arise before May 13, 2020 (the "Events allowing the Early Exercise of Options"), all Options, including Unvested Options, will vest early and will be immediately exercisable, notwithstanding the requirements relating to the beneficiary's length of service in the Company:

(i) the disability of the beneficiary falling into the second or third category provided for in Article L. 341-4 of the French Social Security Code (*Code de la Sécurité sociale*),

(ii) the death of the beneficiary: the heirs may exercise the options during a six-month period following the date of death, after which the options will expire,

(iii) the filing of a takeover bid targeting the shares of the Company deemed compliant by the French Financial Markets Authority (AMF),

(iv) the takeover of the Company involving: (i) a change in control within the meaning of Article L. 233-3 of the French Commercial Code; (ii) a change in the majority of members of the Supervisory Board at the same time and upon the initiative of a new shareholder or new shareholders acting in concert; or (iii) the direct or indirect ownership by a company of more than 30% of the Company's voting rights, together with a change of more than 20% of the members of the Executive Board and the Supervisory Board over a nine-month period,

(v) the dismissal of more than half the members of the Company's Supervisory Board by the Shareholders' Meeting.

It is understood that with respect to the Events allowing the Early Exercise of Options described in points (iii), (iv) and (v) above, the Unvested Options may only vest to the beneficiary and become immediately exercisable if he/she, at the date of the Event allowing the Early Exercise of Options, has received regular grants of share purchase or subscription options for more than two years under this option plan and/or an earlier plan.

Furthermore, should one of the events described in points (iii), (iv) and (v) above occur, the exercise of the Options will remain subject, where applicable, to the attainment of the Performance Conditions in accordance with the following conditions, at the initiative of the beneficiary:

- → within a two-month period of the event, by applying the Performance Conditions over a period commencing the Option grant date (*i.e.* May 13, 2016) and expiring the date of the event; or
- → from May 13, 2020, by applying the Performance Conditions over a four-year period commencing May 13, 2016 and expiring May 12, 2020, inclusive.

- Furthermore, the holding of options implies:
  - → a ban on using hedging instruments;
  - → a ban on exercising options and/or selling shares resulting from the exercise of options (i) during the 30 days prior to the publication of the annual or interim financial statements, (ii) during the 15 days prior to the publication of quarterly information, and (iii) during the period between the date at which the Supervisory Board is convened to decide on a proposed investment by the Company and the date at which this investment is formally communicated to the public by the Company or a third party.
- plan beneficiaries have the possibility to convert all or part of the Options into free shares and/or preference shares, at a parity of one free share for three share purchase options.

3. Share purchase options granted by Eurazeo to its corporate officers and exercised by them during the 2016 fiscal year:

	Number of options granted/shares purchased	Price *(In euros)*	Expiry or exercise date	Plan
Options granted during the fiscal year by Eurazeo to corporate officers				
Patrick Sayer	33,204	57.90 (1)	05/13/2026	2016 Plan (2)
Philippe Audouin	11,166	57.90 (1)	05/13/2026	2016 Plan (2)
Virginie Morgon	23,353	57.90 (1)	05/13/2026	2016 Plan (2)
Options exercised during the fiscal year by Eurazeo corporate officers				
Philippe Audouin	19,590	51.05	04/13/2016	2006 Plan
Patrick Sayer	88,155	51.05	05/13/2016	2006 Plan
Virginie Morgon	40,000	37.50	05/13/2016	2010 Plan
Philippe Audouin	7,971	22.33	06/24/2016	2009 Plan
Virginie Morgon	13,277	28.62	12/27/2016	2012 Plan
Patrick Sayer	20,152	22.33	12/29/2016	2009 Plan
Patrick Sayer	3,306	22.33	12/29/2016	2009 Plan
Philippe Audouin	2,220	22.33	12/29/2016	2009 Plan
Virginie Morgon	2,061	28.62	12/29/2016	2012 Plan

(1) Strike price calculated based on the average share price by the Executive Board on May 13, 2016, adjusted for share capital transactions.
(2) After authorization by the Supervisory Board on March 15, 2016, in accordance with the recommendations of the Compensation and Appointment Committee.

4. Share purchase options granted in fiscal year 2016 by Eurazeo to the ten employees other than corporate officers receiving the highest number of options and shares purchased through the exercise of options by the ten employees who have purchased the highest number of shares

In fiscal year 2016, during its meeting of May 13, 2016, the Executive Board granted 52,702 share purchase options to the ten employees receiving the highest number of options, with a strike price of €57.90 and an expiry date of May 13, 2026 (adjusted for share transaction performed after the grante date).

	Number of options granted/shares purchased	Weighted average price *(In euros)*	Expiry or exercise date	Plan
Options granted during the fiscal year by Eurazeo to the ten employees receiving the highest number of options	52,702	57.90 (1)	05/13/2026	2016 Plan (2)
Options exercised during the fiscal year				
	3,128	23.92	01/20/2016	2009 Plan
	3,014	51.05	03/24/2016	2006 Plan
	7,466	51.05	04/01/2016	2006 Plan
	2,915	51.05	04/05/2016	2006 Plan
	2,599	51.05	04/19/2016	2006 Plan
	3,758	51.05	04/19/2016	2006 Plan
	6,711	51.05	04/25/2016	2006 Plan
	1,082	23.92	04/25/2016	2009 Plan
	956	37.50	04/25/2016	2010 Plan
	4,697	22.33	06/23/2016	2009 Plan
	7,046	40.77	11/22/2016	2011 Plan
	3,523	40.77	12/06/2016	2011 Plan
	3,291	35.02	12/06/2016	2010 Plan
	2,650	22.33	12/06/2016	2009 Plan
	1,693	28.62	12/14/2016	2012 Plan
	4,325	35.02	12/14/2016	2010 Plan

(1) Strike price calculated based on the average share price by the Executive Board on May 13, 2016, adjusted for share capital transactions.
(2) After authorization by the Supervisory Board on March 15, 2016, in accordance with the recommendations of the Compensation and Appointment Committee.

No share subscription or purchase options were granted to Eurazeo employees by Eurazeo affiliates within the meaning of Article L. 225-180 of the French Commercial Code.

5. Share purchase options granted during the 2016 fiscal year to all employee beneficiaries

In fiscal year 2016, during its meeting of May 13, 2016, the Executive Board decided to grant a maximum of 584,285 share purchase options to all employee beneficiaries of the Company (including members of the Executive Board), with a strike price of €62.01 and an expiry date of May 13, 2026.

Following the choice by each beneficiary of whether to receive one performance share for three options granted, 120,425 share purchase options were effectively granted with a strike price of €57.90, adjusted for share capital transactions after the grant date. Options were granted to twelve employees of the Company, consisting of managerial staff of the Company, including three members of the Executive Board.

	2006 Plan	2007 Plan	2008/1 Plan	2008/2 Plan
Date of Shareholders' Meeting	05/04/05	05/03/07	05/03/07	05/03/07
Date of Executive Board meeting	06/27/06	06/04/07	02/05/08	05/20/08
Type of options	**Purchase**	**Purchase**	**Purchase**	**Purchase**
Total number of shares available for subscription or purchase (1)	192,564	278,850	76,824	370,134
Total number of shares subscribed or purchased as of December 31, 2016	(191,911)			
Share subscription or purchase options cancelled during the fiscal year	(653)			
Share subscription or purchase options as of December 31, 2016	**-**	**278,850**	**76,824**	**370,134**
Number of persons concerned	20	23	1	25
Total number of shares that can be subscribed or purchased by Executive Board members (in its composition as of December 31, 2016) (2) (4)	146,857	129,316	76,824	195,859
Number of executives concerned	4	4	1	5
Total number of shares that can be subscribed or purchased by the first ten employee beneficiaries	46,694	56,391	-	89,879
Number of employees concerned	9	9	-	10
Date of creation of options	06/27/06	06/04/07	02/05/08	05/20/08
Beginning of exercise period	06/28/10	06/04/11	02/05/12	05/20/12
Expiry date	06/27/16	06/04/17	02/05/18	05/20/18
Discount	-	-	-	-
Strike price (adjusted)	**47.67**	**71.90**	**48.70**	**55.10**
As a % of share capital as of December 31, 2016 (3)	**-**	**0.40%**	**0.11%**	**0.53%**

(1) Balance as of December 31, 2015 (2015 Registration Document) adjusted for the exceptional distribution on May 19, 2016 and the grant of one bonus share for 20 shares held decided on May 20, 2016.
(2) Options may be exercised for one share each.
(3) Based on 69,704,094 shares outstanding as of December 31, 2016.
(4) Excluding options granted to members of the Executive Board in their capacity as employees (Philippe Audouin). Number of shares initially granted adjusted for share capital transactions since the grant date.
(5) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2011, one-third in 2012 and one-third in 2013.
(6) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2012, one-third in 2013 and one-third in 2014.
(7) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2013, one-third in 2014 and one-third in 2015.
(8) Options may be exercised by beneficiaries immediately after vesting. Options vest progressively in three equal tranches: one-third in 2014, one-third in 2015 and one-third in 2016.
(9) Options may be exercised from May 7, 2017 and vest progressively in three tranches: one-half in 2015, one-quarter in 2016 and one-quarter in 2017, subject to performance conditions.
(10) Options may be exercised from June 17, 2018 and vest progressively in three tranches: one-half in 2016, one-quarter in 2017 and one-quarter in 2018, subject to performance conditions.
(11) Options may be exercised from June 29, 2019 and vest progressively in three tranches: one-half in 2017, one-quarter in 2018 and one-quarter in 2019, subject to performance conditions.
(12) Options may be exercised from May 13, 2020 and vest progressively in three tranches: one-half in 2018, one-quarter in 2019 and one-quarter in 2020, subject to performance conditions.

2009 Plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan
05/03/07	05/07/10	05/07/10	05/07/10	05/07/13	05/07/13	05/07/13	05/07/13
06/02/09	05/10/10	05/31/11	05/14/12	05/07/13	06/17/14	06/29/15	05/13/16
Purchase	Purchase	Purchase	Purchase	Purchase	Purchase	Purchase	Purchase
131,329	463,071	330,209	184,122	411,755	350,956	287,394	120,425
(45,505)	(52,677)	(10,569)	(20,786)				
85,824	**410,394**	**319,640**	**163,336**	**411,755**	**350,956**	**287,394**	**120,425**
25	29	21	13	37	17	10	12
232,418	268,404	201,910	135,826	257,758	245,137	244,174	67,723
6	7	6	6	5	4	3	3
71,715	72,379	60,319	16,615	75,171	47,860	20,516	52,702
11	10	10	7	9	10	10	9
06/02/09	05/10/10	05/31/11	05/14/12	05/07/13	06/17/14	06/29/15	05/13/16
(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
06/01/19	05/10/20	05/31/21	05/14/22	05/07/23	06/17/24	06/29/25	05/13/26
-	-	-	-	-	-	-	–
22.33	**35.02**	**40.77**	**28.62**	**31.96**	**55.11**	**57.58**	**57.90**
0.12%	**0.59%**	**0.46%**	**0.23%**	**0.59%**	**0.50%**	**0.41%**	**0.17%**

6. Share purchase options vested during fiscal year 2016

In 2016, 87,744 purchase options granted under the 2014 Plan by the Executive Board on June 17, 2014, vested to 19 beneficiaries, 102,944 purchase options granted under the 2013 Plan by the Executive Board on May 7, 2013, vested to 37 beneficiaries and 69,753 purchase options granted under the 2012 Plan by the Executive Board on May 14, 2012, vested to 13 beneficiaries. With respect to the 2012 Plan, Eurazeo's performance represented 114.69% of the performance of the benchmark index over the period May 14, 2012 to May 13, 2016 such that 100% of options granted vested to beneficiaries. Options have vested to beneficiaries under the 2013 and 2014 Plans but remain subject to the attainment of performance conditions assessed at the end of the last vesting period.

7

7.2 SPECIAL REPORT ON THE GRANT OF FREE SHARES PREPARED IN ACCORDANCE WITH ARTICLE L. 225-197-4 OF THE FRENCH COMMERCIAL CODE

7.2.1 DESCRIPTION OF THE 2016 EMPLOYEE FREE SHARE PLAN

A. Legal framework

The Shareholders' Meeting of May 12, 2016 (23rd resolution) authorized the Executive Board to grant free shares representing up to 1% of the share capital to the employees and corporate officers of Eurazeo and/or its affiliates, in accordance with the provisions of Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code. This authorization was given for a 38-month period.

Pursuant to this authorization, the Eurazeo Executive Board, implementing the delegation of power granted by the Combined Shareholders' Meeting of May 12, 2016, adopted on May 13, 2016 a free share plan for employees of Eurazeo and Eurazeo PME, and employees of Eurazeo Services Lux not holding an employment contract with another Group company (the "Free Share Plan"). The terms and conditions of this Free Share Plan are presented below.

B. Details of the free share plan

The rules governing the Free Share Plan provide notably for a three-year vesting period, with the shares vesting at the end of this period only if the beneficiary is still employed by the Company or a Eurazeo group company, except in the event of death, retirement or disability or with the formal agreement of the Executive Board.

The Free Share Plans rules also stipulate that the number of shares granted shall be adjusted in the event of transactions in the Company's share capital in order to protect the rights of beneficiaries.

C. Free shares granted by Eurazeo during fiscal year 2016

Pursuant to the Free Share Plan adopted on May 13, 2016, Eurazeo's Executive Board decided to grant 8,946 shares to all employees of the Company and Eurazeo group companies, with a value of €58.87 each (share price as of May 12, 2016), split as follows:

- 7,060 shares representing 0.01% of the Company's share capital as of December 31, 2016 were granted to 37 managerial staff and technician beneficiaries who do not receive stock options. Of these shares, 2,606 went to the ten employees receiving the highest number of free shares;
- 1,886 shares representing 0.002% of the Company's share capital as of December 31, 2016 were granted to 41 managerial staff beneficiaries who receive stock options.

In 2016, 7,698 free shares granted by the Executive Board on January 24, 2014 vested to 65 beneficiaries. These shares must be held until January 23, 2018.

7.2.2 FREE PERFORMANCE SHARE PLAN GRANTED UNDER THE 2016 SHARE PURCHASE OPTION PLANS

A. Legal framework

Pursuant to (i) the vote by the Shareholders' Meeting of May 12, 2016 adopting the 22nd resolution authorizing the Executive Board to grant share purchase options, (ii) the vote by the Shareholders' Meeting of May 12, 2016 adopting the 23rd resolution authorizing the Executive Board to grant free shares to members of the Company's Executive Board and Executive Committee, (iii) the authorization given by the Supervisory Board on May 12, 2016 pursuant to the recommendation of the Compensation and Appointment Committee of April 26, 2016, the Executive Board of Eurazeo decided, at its meeting on May 13, 2016, to grant to members of the Company's Executive Board and Executive Committee and certain executives of the Company a maximum of 584,285 share purchase options, each beneficiary having the choice of receiving for three share purchase options granted, one performance share issued for nil consideration in accordance with the conditions set out in Articles L. 225-197-1 to L. 225-197-6 of the French Commercial Code (the "Performance Shares").

B. Details of the Free Share Plans

The rules governing the Performance Share plans stipulate, in particular:

- the grant of existing Performance Shares purchased under the Company's share buyback program;
- observation of a three-year vesting period.

In the case of Performance Shares granted to members of the Company's Executive Board and Executive Committee and Investment Officers of the Company and/or its affiliates, the vesting of all Free Shares is subject to the attainment of performance conditions assessed at the end of the vesting period, *i.e.* on May 13, 2019. These performance conditions which concern (i) the comparative stock market performance of the Company's share, after the add-back of dividends, against the CAC 40 index and (ii) Eurazeo's NAV performance (collectively the "Performance Conditions"), will determine the percentage of options available for exercise as set out below:

	< 80% (NAV/share) of the reference amount	80% < x < 100% (NAV/share) of the reference amount	> 100% (NAV/share) of the reference amount
Change in the Eurazeo share price (base 100)/ Change in the CAC 40 index (base 100) < 80%	0%	50%	75%
80% < Change in the Eurazeo share price (base 100)/ Change in the CAC 40 index (base 100) < 100%	50%	75%	100%
Change in the Eurazeo share price (base 100)/ Change in the CAC 40 index (base 100) > 100%	75%	100%	100%

Eurazeo's stock market performance will be determined over a three-year period (starting on May 13, 2016 and expiring on May 12, 2019 inclusive) by combining the change in value of the Eurazeo share and the reinvestment of ordinary dividends paid over the same period. Eurazeo's stock market performance will be compared with the stock market performance, over the same period, of the CAC 40 index.

Eurazeo's NAV performance will be determined over a three-year period by comparing the NAV in absolute terms as of December 31, 2015 and the NAV in absolute terms as of December 31, 2018, increased for dividends paid over the same period.

For other beneficiaries of the Performance Shares (employees who are not members of the Executive Board or Executive Committee or Investment Officers), the exercise of half of the Performance Shares is subject to the attainment of the same Performance Conditions.

Should one of the following events arise before May 13, 2019:

(i) the filing of a takeover bid targeting the Company's shares deemed compliant by the French Financial Markets Authority (AMF),

(ii) the takeover of the Company involving: (i) a change in control within the meaning of Article L. 233-3 of the French Commercial Code; (ii) a change in the majority of members of the Supervisory Board at the same time and upon the initiative of a new shareholder or new shareholders acting in concert; or (iii) the direct or indirect ownership by a company of more than 30% of the Company's voting rights, together with a change of more than 20% of the members of the Executive Board and the Supervisory Board over a nine-month period,

(iii) the dismissal of more than half the members of the Company's Supervisory Board by the Shareholders' Meeting,

the vesting of the Performance Shares will remain subject, where applicable, to the attainment of the Performance Conditions in accordance with the following conditions, at the initiative of the beneficiary:

- by applying the Performance Conditions over a period commencing from the Performance Share grant date (*i.e.* May 13, 2016) and expiring on the date of the event, and this within two months of the event at the latest; or
- by applying the Performance Conditions over a three-year period commencing May 13, 2016 and expiring May 12, 2019, inclusive.

Irrespective of the beneficiary's choice regarding the Performance Conditions application period, the Performance Shares will only vest after a three-year vesting period, *i.e.* May 13, 2019.

The rules governing the Performance Share plan stipulate, in particular:

- in the event of disability of the beneficiary during the vesting period falling into the second or third category provided for in Article L. 341-4 of the French Social Security Code, all Performance Shares will vest early, pursuant to Article L. 225-197-1 of the French Commercial Code;
- in the event of the beneficiary's death during the vesting period, his/her heirs may request the vesting of the Performance Shares within a 6-month period from the date of death, in accordance with the provisions of Article L. 225-197-3 paragraph 2 of the French Commercial Code;

Performance shares vested in favor of a beneficiary in accordance with the rules set out above are referred to hereafter as "Vested Shares". Performance Shares not vested at a given date in accordance with the rules set out above, are referred to hereafter as "Unvested Shares";

- beneficiaries must remain employees or corporate officers of the Company or an affiliate within the meaning of Article L. 225-197-2 of the French Commercial Code during the entire vesting period.

A beneficiary who ceases to be an employee or corporate officer of the Company or an affiliate within the meaning of Article L. 225-197-2 of the French Commercial Code before the end of the Performance Share vesting period will not receive these shares. The Unvested Shares held by the beneficiary at the date of his/her departure (in the event of departure before the end of the vesting period) will automatically expire, except in the following situations:

- the beneficiary is called on to exercise functions in another Group company (the presence conditions at the end of the vesting period will therefore be assessed with respect to this other company);
- retirement at the initiative of the beneficiary or the Company; retirement does not lead to the early vesting of the Performance Shares which continue to vest at the end of the vesting period;
- formal agreement of the Executive Board, at the recommendation of the Compensation and Appointment Committee (for Executive Board members only), cancelling the expiry of Unvested Shares in favor of the beneficiary, in accordance with the terms and conditions set out by the Executive Board; the aforementioned agreement of the Executive Board does not lead to the early vesting of the Performance Shares which continue to vest at the end of the vesting period.

In the above cases, the vesting of the Performance Shares subject, where applicable, to Performance Conditions remains subject to the attainment of the Performance Conditions as defined previously.

Beneficiaries will enjoy the status of shareholder from the vesting of the Performance Shares and can exercise all related rights.

In particular, they will enjoy the right to shareholder information and dividend rights;

- the number of Performance Shares granted will be adjusted to protect the rights of beneficiaries in the event of transactions in the Company's share capital, such as those described in Article L. 225-181, paragraph 2 of the French Commercial Code applicable to share purchase options. The adjusted number of shares will be rounded up or down to the nearest whole number;
- from the end of the vesting period and pursuant to Article L. 225-197-1, I paragraph 3 of the French Commercial Code, the shares may not be sold (i) during the 10 trading days preceding and the 3 trading days following the publication of the consolidated, or failing this, the Company annual financial statements, and (ii) during the period between the date at which the Company's governing bodies have knowledge of information which if made public could have a material impact on the price of the Company's shares and 10 trading days after this information is made public;
- from the end of the vesting period and pursuant to the Securities Trading Code of Conduct, the shares may not be sold (i) during the 30 trading days preceding the publication of the annual or interim financial statements and (ii) during the 15 trading days preceding the publication of quarterly information.

Pursuant to the provisions of the fourth paragraph of Article L. 225-197-1 II of the French Commercial Code, each Executive Board member is required to hold in a registered account, throughout his/her term of office, either directly or indirectly through wealth management or family structures, one-third of the Performance Shares, until the Eurazeo shares owned and held by the Executive Board member in any respect, represent an amount equal to:

- for the Chairman of the Executive Board, three times the amount of his last fixed annual compensation,
- for other members of the Executive Board, two times the amount of their last fixed annual compensation,

taking into account for this calculation the share price at the end of each vesting period for the Performance Shares.

The attainment of these shareholding levels will be assessed twice annually on July 1 and December 31 of each year.

This rule is applicable to all free shares granted for which the vesting or lock-up period, as applicable, has expired, irrespective of the plan, until the end of the term of office of the corporate officer.

c. Performance Shares granted by Eurazeo during fiscal year 2016 under the share purchase option plans

The Eurazeo Executive Board decided, at its meeting on May 13, 2016, to grant a maximum of 584,285 share purchase options and/or, at the choice of individual beneficiaries, a maximum of 194,748 Performance Shares, as follows:

- to members of the Executive Board and Executive Committee and Investment Officers, with the full grant subject to performance conditions, a maximum of 505,931 share purchase options and/or, at the choice of individual beneficiaries, a maximum of 168,636 Performance Shares; and
- to employees of the Company and its affiliates who are not members of the Executive Board or Executive Committee or Investment Officers, with half of the grant subject to performance conditions, a maximum of 78,354 share purchase options and/or, at the choice of individual beneficiaries, a maximum of 26,112 Performance Shares.

Following the choice of individual beneficiaries in fiscal year 2016 to receive, based on the above exchange ratios, Performance Shares in exchange for share purchase options, 168,427 Performance Shares were granted to members of the Executive Board and Executive Committee, Investment Officers and employees of the Company and its affiliates (including 155,146 Performance Shares granted to 36 employees and/or corporate officers of the Company and 13,281 Performance Shares granted to 8 employees of affiliates) (adjusted for share capital transactions performed after the grant date).

7.2.3 VESTING OF FREE PREFERENCE SHARES GRANTED UNDER THE 2014 SHARE PURCHASE OPTION PLAN

8,265 free preference shares granted by the Executive Board on June 17, 2014 (following the decision by beneficiaries to convert all or part of their options into preference shares) vested in 2016 to 32 beneficiaries. With respect to the 2014 Plan, Eurazeo's Performance represented 84.05% of the performance of the benchmark index over the period June 17, 2014 to June 16, 2016 such that 60.11% of free preference shares granted vested to beneficiaries. These preference shares must be held until June 16, 2018.

7.3 AGENDA

PRESENTATION OF THE RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS' MEETING OF MAY 11, 2017

The resolutions submitted for your approval include resolutions that are to be voted by the Ordinary Shareholders' Meeting and others that are to be voted by the Extraordinary Shareholders' Meeting.

Resolutions before the Ordinary Shareholders' Meeting

Approval of the financial statements and allocation of net income/Dividend distribution

After reviewing the Executive Board's Management Report, the Supervisory Board's observations and the Statutory Auditors' reports on the Company and consolidated financial statements, the 1st, 2nd and 3rd resolutions ask shareholders to approve (i) the Company and consolidated financial statements for the year ended December 31, 2016 and (ii) the payment of an ordinary dividend of €1.20 per share.

This ordinary dividend would be paid exclusively in cash on May 18, 2017.

Approval of regulated agreements

In the 4th resolution, shareholders are asked to approve the regulated agreements and commitments governed by Articles L. 225-86 *et seq.* of the French Commercial Code and authorized by the Supervisory Board in 2016 and at the beginning of 2017.

Shareholders are reminded that, pursuant to the law, only new agreements are presented to the Shareholders' Meeting for vote. Nonetheless, for information purposes, the Statutory Auditors' Special Report presented in Section 7.6 of this Registration Document details all agreements and commitments entered into and authorized during previous years, that remained in effect during the year ended December 31, 2016. These agreements and commitments were reviewed by the Supervisory Board on December 8, 2016 in accordance with Order no. 2014-863 of July 31, 2014 enacted following Article 3 of Law no. 2014-1 of January 2, 2014 authorizing the government to simplify and secure corporate activities.

Renewal of the term of office of a member of the Supervisory Board

The 5th resolution asks shareholders to renew the term of office of Stéphane Pallez as a member of the Supervisory Board for a period of four years expiring at the end of the Ordinary Shareholders' Meeting to be held in 2021 to approve the financial statements for the prior fiscal year.

Appointment of a new member of the Supervisory Board

Shareholders are reminded of the expiry of the terms of office of Jean Laurent and Jacques Veyrat as members of the Supervisory Board and that the renewal of these offices is not presented to the Shareholders' Meeting of May 11, 2017 for approval. The 6th resolution therefore asks shareholders to appoint Anne Dias as a member of the Supervisory Board for a period of four years expiring at the end of the Ordinary Shareholders' Meeting to be held in 2021 to approve the financial statements for the prior fiscal year. Information concerning Anne Dias is presented in Section 3.1 of this Registration Document.

Approval of the 2017 corporate officer compensation policy

Pursuant to Article L.225-82-2 of the French Commercial Code, the Supervisory Board submits to the approval of the Shareholders' Meeting the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind that may be awarded to members of the Supervisory Board and the Executive Board in respect of their duties in 2017 and comprising their compensation policy.

These principles and criteria decided by the Supervisory Board at the recommendation of the Compensation and Appointment Committee are presented in the report prepared in accordance with the aforementioned article and included in Section 3.2.1 of the Registration Document (p. 179).

Pursuant to Article L.225-100 of the French Commercial Code, the amounts resulting from the application of these principles and criteria will be submitted for the approval of shareholders at the Shareholders' Meeting called to approve the 2017 financial statements.

The 7th and 8th resolutions ask shareholders to approve the principles and criteria as presented in this report.

Advisory vote on the compensation due or awarded to each executive corporate officer of the Company

In accordance with the recommendations of the revised AFEP-MEDEF Code issued in November 2016 (Article 26) to which the Company refers in application of Article L. 225-68 of the French Commercial Code, the components of compensation due or awarded in respect of fiscal year 2016 to each corporate officer are presented to shareholders for an advisory vote:

- fixed compensation;
- annual variable compensation subject to performance criteria determining the amount;
- special payments;
- stock options, performance shares and multi-year variable compensation plans subject to performance criteria determining these compensation components;
- sign-on and termination benefits;
- supplementary pension plans;
- any other benefits.

The 9th, 10th and 11th resolutions ask shareholders to vote on the components of compensation due or awarded in respect of 2016 to each executive corporate officer of the Company, that is:

- Michel David-Weill, Chairman of the Supervisory Board;
- Patrick Sayer, Chairman of the Executive Board;
- Virginie Morgon, Deputy CEO and Member of the Executive Board; and
- Philippe Audouin, Member of the Executive Board.

Accordingly, the 9th resolution asks shareholders to issue a favorable opinion on the following components of compensation due or awarded in respect of the past fiscal year to Michel David-Weill, Chairman of the Supervisory Board:

Compensation due or awarded during 2016 to Michel David-Weill, Chairman of the Supervisory Board, presented to shareholders for advisory vote

Compensation	Amount	Comment
Fixed compensation	€400,000	No change on 2015.
Annual variable compensation	N/A	Michel David-Weill does not receive any annual variable compensation.
Deferred variable compensation	N/A	Michel David-Weill does not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Michel David-Weill does not receive any multi-year variable compensation.
Special payments	N/A	Michel David-Weill does not receive any special payments.
Stock options, performance shares and all other long-term compensation components	N/A	Michel David-Weill does not receive any share purchase options, performance shares or other long-term compensation components.
Attendance fees	€67,500	Michel David-Weill received attendance fees as Chairman of the Supervisory Board and Chairman of the Finance Committee, the amount of which varies in line with his attendance at meetings.
Benefits in kind	N/A	Michel David-Weill does not receive any benefits in kind.
Termination benefits	N/A	Michel David-Weill is not entitled to termination benefits.
Non-compete compensation	N/A	Michel David-Weill is not entitled to non-compete compensation.
Supplementary defined benefit pension plan	N/A	Michel David-Weill is not entitled to any defined benefit pension plans.

The 10th resolution also asks shareholders to issue a favorable opinion on the components of compensation due or awarded in respect of the past fiscal year to Patrick Sayer, Chairman of the Executive Board.

Compensation due or awarded during 2016 to Patrick Sayer, Chairman of the Executive Board, presented to shareholders for advisory vote

Compensation	Amount	Comment
Fixed compensation	€920,000	No change on 2015.
Annual variable compensation	€861,700	Basic variable compensation represents 90% of Patrick Sayer's fixed compensation for 2016, *i.e.* €828,000. Total variable compensation is capped at 150% of 2016 basic variable compensation, *i.e.* €1,242,000. **Quantitative and qualitative criteria:** During its meeting of March 15, 2016, the Supervisory Board, at the recommendation of the Compensation and Appointment Committee, set the following quantitative and qualitative criteria: **Quantitative criteria:** Quantitative criteria are calculated on 60% of the basic bonus and limited to 120% thereof. Criteria adopted: • change in NAV in absolute terms (25%); • change in NAV in relative terms compared with the performance of the CAC (25%); • compliance of EBIT with budget (10%). **Qualitative criteria:** The qualitative criteria represent 40% of the basic bonus and can represent up to 50% of the basic bonus at the decision of the Compensation and Appointment Committee in the event of an exceptional contribution to issues not identified when setting the annual objectives. • common criteria: contribution to strategic discussions, monitoring of portfolio companies, implementation of the CSR policy, etc. (20% of basic variable compensation); • discretionary appraisal of the Compensation and Appointment Committee (20% of basic variable compensation). Based on the criteria set by the Supervisory Board on March 15, 2016 and actual performance levels noted as of December 31, 2016, variable compensation was calculated as follows: • based on quantitative criteria: 66.07% of the basic bonus, or €547,060 (26.14% in respect of the change in NAV in absolute terms, 29.24% in respect of the change in NAV in relative terms and 10.69% in respect of compliance of EBIT with budget), • based on qualitative criteria: 38% of the basic bonus, or €314,640 (18% in respect of common qualitative criteria and 20% in respect of the discretionary appraisal).
Deferred variable compensation	N/A	Patrick Sayer does not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Patrick Sayer does not receive any multi-year variable compensation.
Special payments	N/A	Patrick Sayer does not receive any special payments.
Stock options, performance shares and all other long-term compensation components	Options: €350,357	124,017 options were granted to Patrick Sayer in respect of 2016. As authorized by the plan rules, Patrick Sayer converted 75% of this initial grant into performance shares. Accordingly, Patrick Sayer was ultimately awarded: 31,005 share purchase options, valued at €350,357; and 31,004 performance shares, valued at €1,097,542. Performance conditions: The exercise of options is subject to the attainment of performance conditions assessed at the end of the last vesting period, *i.e.* on May 13, 2020. These performance conditions which concern (i) the comparative stock market performance of the Company's share, after the add-back of dividends, against the CAC 40 index and (ii) Eurazeo's NAV performance, will determine the percentage of options available for exercise as set out below.

<table>
<tr><th>Compensation</th><th>Amount</th><th>Comment</th></tr>
<tr><td></td><td>Shares:
€1,097,542</td><td>
<table>
<tr><th></th><th>< 80% (NAV/share) of the reference amount</th><th>80% < x < 100% (NAV/share) of the reference amount</th><th>> 100% (NAV/share) of the reference amount</th></tr>
<tr><td>Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) < 80%</td><td>0%</td><td>50%</td><td>75%</td></tr>
<tr><td>80% < Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) < 100%</td><td>50%</td><td>75%</td><td>100%</td></tr>
<tr><td>Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) > 100%</td><td>75%</td><td>100%</td><td>100%</td></tr>
</table>
Eurazeo's stock market performance will be determined over a four-year period (starting on May 13, 2016 and expiring on May 12, 2020 inclusive) by combining the change in value of the Eurazeo share and the reinvestment of ordinary dividends paid over the same period. Eurazeo's stock market performance will be compared with the stock market performance, over the same period, of the CAC 40 index.
Eurazeo's NAV performance will be determined over a four-year period by comparing the NAV per share in absolute terms as of December 31, 2015 and the NAV per share in absolute terms as of December 31, 2019, increased for dividends paid over the same period.
The 124,017 options granted to Patrick Sayer represent 0.18% of the share capital of Eurazeo at the date of the grant decision.
The grant decision was made by the Supervisory Board meeting of March 15, 2016 pursuant to the authorization granted by the 22nd resolution of the Extraordinary Shareholders' Meeting of May 12, 2016.

31,004 performance shares were granted for nil consideration to Patrick Sayer in respect of 2016 following the conversion into performance shares of a portion of the share purchase options granted. These performance shares are subject to a three-year vesting period ending May 12, 2019 and to the same performance conditions as the share purchase options. The attainment of the performance conditions will be assessed at the end of the vesting period, i.e. on May 13, 2019.
The free performance share plan was approved by the Executive Board meeting of May 13, 2016 in accordance with the authorization granted by the 23rd resolution of the Extraordinary Shareholders' Meeting of May 12, 2016.</td></tr>
<tr><td>Attendance fees</td><td>€132,072</td><td>Attendance fees received during the fiscal year in respect of directorships in investments are deducted from variable compensation payable in respect of the same fiscal year, subject to differences in taxation and social security contributions.</td></tr>
<tr><td>Benefits in kind</td><td>€43,756</td><td>Patrick Sayer has a chauffeur-driven company car and an executive unemployment insurance policy.</td></tr>
<tr><td>Termination benefits</td><td>No payment</td><td>Calculation method:
The amount of termination benefits is determined based on 24-months' full compensation (fixed + variable) paid during the last 12 months.
Termination benefits payable to Patrick Sayer were approved by the Supervisory Board meeting of December 5, 2013 and authorized by the 11th resolution of the Shareholders' Meeting of May 7, 2014 on the renewal of his term of office.
Grant conditions:
Payment of termination benefits is subject to performance conditions assessed by comparing the change in Eurazeo's share price with that of the LPX index:
• if the Company's share performance compared to that of the LPX index is equal to 100% or more between the date of renewal or appointment and the date of termination of his duties, Patrick Sayer will receive 100% of his termination benefits;
• if the Company's share performance compared to that of the LPX index is equal to or less than 80% between the date of renewal or appointment and the date of termination of his duties, Patrick Sayer will receive two-thirds of his termination benefits;
• between these two limits, termination benefits will be calculated on a proportional basis.</td></tr>
</table>

Compensation	Amount	Comment
		He will not be entitled to termination benefits in the event of misconduct. Similarly, these termination benefits will not be paid if Patrick Sayer leaves Eurazeo on his own initiative to take up new duties or if he changes position within the Group or if he is eligible for a pension less than one month following the date of his departure. He will receive half of his termination benefits if he is eligible for a pension one to six months following the date of his departure. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that he would have received for the remaining months to retirement.
Non-compete compensation	N/A	Patrick Sayer does not have a non-compete clause.
Supplementary defined benefit pension plan	No payment	Patrick Sayer benefits from a supplementary defined benefit pension plan authorized by the 11th resolution of the Shareholders' Meeting of May 7, 2014 and approved by the Supervisory Board meeting of December 5, 2013 on the renewal of his term of office. **Description of the pension plan:** **Qualifying conditions:** • receive, in respect of a full calendar year (or reconstituted calendar year for an incomplete year), annual gross compensation equal to or greater than five times the French social security annual ceiling; • have at least four years' service with Eurazeo; • be at least 60 years old and wind-up mandatory pension plans; • have ended his/her career in the Company as defined by pension regulations, this condition being satisfied where the beneficiary is a Company employee at the date of retirement, subject to derogations authorized by the authorities and provided in the regulations. **Calculation method:** • the amount of entitlement is calculated based on the benchmark compensation and the length of service with Eurazeo; • the benchmark compensation is equal to the average compensation received in respect of the 36 months preceding retirement, in the conditions provided by the regulations, consisting of the fixed and variable compensation to the exclusion of all other items, capped at two-times the fixed compensation of the beneficiary; • where the aforementioned criteria are satisfied, the pension is equal to 2.5% of the benchmark compensation per year of service, subject to a maximum of 24 years. The defined benefit supplementary pension plan was closed on June 30, 2011 by decision of the Supervisory Board meeting of March 24, 2011.

The 11th resolution also asks shareholders to issue a favorable opinion on the components of compensation due or awarded in respect of the past fiscal year to other members of the Executive Board.

Compensation due or awarded during 2016 to Virginie Morgon, Deputy CEO and member of the Executive Board, presented to shareholders for advisory vote

Compensation	Amount	Comment
Fixed compensation	€690,000	No change on 2015.
Annual variable compensation	€718,083	Basic variable compensation represents 100% of Virginie Morgon's fixed compensation for 2016, *i.e.* €690,000. Total variable compensation is capped at 150% of 2016 basic variable compensation, *i.e.* €1,035,000. **Quantitative and qualitative criteria:** During its meeting of March 15, 2016, the Supervisory Board, at the recommendation of the Compensation and Appointment Committee, set the following quantitative and qualitative criteria: **Quantitative criteria:** Quantitative criteria are calculated on 60% of the basic bonus and limited to 120% thereof. Criteria adopted: • change in NAV in absolute terms (25%); • change in NAV in relative terms compared with the performance of the CAC (25%); • compliance of EBIT with budget (10%). **Qualitative criteria:** The qualitative criteria represent 40% of the basic bonus and can represent up to 50% of the basic bonus at the decision of the Compensation and Appointment Committee in the event of an exceptional contribution to issues not identified when setting the annual objectives. • common criteria: contribution to strategic discussions, monitoring of portfolio companies, implementation of the CSR policy, etc. (20% of basic variable compensation); • the discretionary appraisal by the Chairman of the Executive Board (20% of basic variable compensation). Based on the criteria set by the Supervisory Board on March 15, 2016 and actual performance levels noted as of December 31, 2016, variable compensation was calculated as follows: • based on quantitative criteria: 66.07% of the basic bonus, or €455,883 (26.14% in respect of the change in NAV in absolute terms, 29.24% in respect of the change in NAV in relative terms and 10.69% in respect of compliance of EBIT with budget); • based on qualitative criteria: 38% of the basic bonus, or €262,200 (18% in respect of common qualitative criteria and 20% in respect of the discretionary appraisal).
Deferred variable compensation	N/A	Virginie Morgon does not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Virginie Morgon does not receive any multi-year variable compensation.
Special payments	N/A	Virginie Morgon does not receive any special payments.
Stock options, performance shares and all other long-term compensation components	Options: €246,408	87,224 options were granted to Virginie Morgon in respect of 2016. As authorized by the plan rules, Virginie Morgon converted 75% of this initial grant into performance shares. Accordingly, Virginie Morgon was ultimately awarded: • 21,806 share purchase options, valued at €246,408; and • 21,806 performance shares, valued at €771,932.

<table>
<tr><th>Compensation</th><th>Amount</th><th>Comment</th></tr>
<tr><td></td><td></td><td>Performance conditions:
The exercise of options is subject to the attainment of performance conditions assessed at the end of the last vesting period, i.e. on May 13, 2020. These performance conditions which concern (i) the comparative stock market performance of the Company's share, after the add-back of dividends, against the CAC 40 index and (ii) Eurazeo's NAV performance, will determine the percentage of options available for exercise as set out below:</td></tr>
<tr><td></td><td></td><td>
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<tr><th></th><th>< 80% (NAV/share) of the reference amount</th><th>80% < x < 100% (NAV/share) of the reference amount</th><th>> 100% (NAV/share) of the reference amount</th></tr>
<tr><td>Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) < 80%</td><td>0%</td><td>50%</td><td>75%</td></tr>
<tr><td>80% < Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) < 100%</td><td>50%</td><td>75%</td><td>100%</td></tr>
<tr><td>Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) > 100%</td><td>75%</td><td>100%</td><td>100%</td></tr>
</table>
Eurazeo's stock market performance will be determined over a four-year period (starting on May 13, 2016 and expiring on May 12, 2020 inclusive) by combining the change in value of the Eurazeo share and the reinvestment of ordinary dividends paid over the same period. Eurazeo's stock market performance will be compared with the stock market performance, over the same period, of the CAC 40 index.
Eurazeo's NAV performance will be determined over a four-year period by comparing the NAV per share in absolute terms as of December 31, 2015 and the NAV per share in absolute terms as of December 31, 2019, increased for dividends paid over the same period.
The 87,224 options granted to Virginie Morgon represent 0.12% of the share capital of Eurazeo at the date of the grant decision.
The grant decision was made by the Supervisory Board meeting of March 15, 2016 pursuant to the authorization granted by the 22nd resolution of the Extraordinary Shareholders' Meeting of May 12, 2016.</td></tr>
<tr><td></td><td>Shares:
€771,932</td><td>21,806 performance shares were granted for nil consideration to Virginie Morgon in respect of 2016 following the conversion into performance shares of a portion of the share purchase options granted. These performance shares are subject to a three-year vesting period ending May 12, 2019 and to the same performance conditions as the share purchase options. The attainment of the performance conditions will be assessed at the end of the vesting period, i.e. on May 13, 2019.
The free performance share plan was approved by the Executive Board meeting of May 13, 2016 in accordance with the authorization granted by the 23rd resolution of the Extraordinary Shareholders' Meeting of May 12, 2016.</td></tr>
<tr><td>Attendance fees</td><td>€43,571</td><td>Attendance fees received during the fiscal year in respect of directorships in investments are deducted from variable compensation payable in respect of the same fiscal year, subject to differences in taxation and social security contributions.</td></tr>
</table>

Compensation	Amount	Comment
Benefits in kind	€677,689	Virginie Morgon has a company car. In addition, pursuant to her secondment to Eurazeo North America, an amendment to her employment contract was signed providing notably that Eurazeo North America would provide a relocation allowance, up to a total annual cap of €1 million, or standard coverage of 67.5% of additional costs incurred by her as a result of her relocation to the United States. As of December 31, 2016, this allowance totaled US$738,561 (€671,419) compared with a cap of €1,458,333 for the period from the opening of the office to December 31, 2017, adjusted for the advance payment of certain installation costs. This allowance includes, in particular, compensation for the difference in the cost of living, costs associated with the secondment (relocation, accommodation, schooling, etc.) and a portion of the additional tax cost, taking account of the difference between the amount of mandatory deductions (social security contributions and income tax) that will be payable by Virginie Morgon in the United States compared with that which would have been payable in France and the additional tax payable on secondment costs reimbursed by Eurazeo North America.
Termination benefits	No payment	**Calculation method:** The amount of termination benefits is determined based on 18-months' full compensation (fixed + variable) paid during the last 12 months. Termination benefits payable to Virginie Morgon were authorized by the 13th resolution of the Shareholders' Meeting of May 7, 2014 and approved by the Supervisory Board meeting of December 5, 2013. **Grant conditions:** Payment of termination benefits is subject to performance conditions assessed by comparing the change in Eurazeo's share price with that of the LPX index: • if the Company's share performance compared to that of the LPX index is equal to at least 100% between the date of renewal or appointment and the date of termination of her duties, Virginie Morgon will receive 100% of her termination benefits; • if the Company's share performance compared to that of the LPX index is equal to or less than 80% between the date of renewal or appointment and the date of termination of her duties, Virginie Morgon will receive two-thirds of her termination benefits; • between these two limits, termination benefits will be calculated on a proportional basis. Termination benefits will include the compensation due under the collective agreement in the event of termination of the employment contract. She will not be entitled to termination benefits in the event of misconduct. Similarly, these termination benefits will not be paid if Virginie Morgon leaves Eurazeo on her own initiative to take up new duties or if she changes position within the Group or if she is eligible for a pension less than one month following the date of her departure. She will receive half of her termination benefits if she is eligible for a pension one to six months following the date of her departure. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that she would have received for the remaining months to retirement.
Non-compete compensation	No payment	In the event of resignation before March 19, 2018, Virginie Morgon will be bound by a non-compete obligation for a period of six months. In this respect, she will receive a gross, monthly, compensatory allowance corresponding to 33% of the average monthly compensation for the last 12 months preceding the termination of her employment contract. If a termination benefit is paid with respect to this departure, the combined total of the non-compete allowance and the termination benefit must not exceed the combined total of the fixed and variable compensation paid during the two years preceding departure.

Compensation	Amount	Comment
Supplementary defined benefit pension plan	No payment	Virginie Morgon benefits from a supplementary defined benefit pension plan authorized by the 13th resolution of the Shareholders' Meeting of May 7, 2014 and approved by the Supervisory Board meeting of December 5, 2013, on the renewal of her term of office. **Description of the pension plan:** **Qualifying conditions:** • receive, in respect of a full calendar year (or reconstituted calendar year for an incomplete year), annual gross compensation equal to or greater than five times the French social security annual ceiling; • have at least four years' service with Eurazeo; • be at least 60 years old and wind-up mandatory pension plans; • have ended his/her career in the Company as defined by pension regulations, this condition being satisfied where the beneficiary is a Company employee at the date of retirement, subject to derogations authorized by the authorities and provided in the regulations. **Calculation method:** • the amount of entitlement is calculated based on the benchmark compensation and the length of service with Eurazeo; • the benchmark compensation is equal to the average compensation received in respect of the 36 months preceding retirement, in the conditions provided by the regulations, consisting of the fixed and variable compensation to the exclusion of all other items, capped at two-times the fixed compensation of the beneficiary; • where the aforementioned criteria are satisfied, the pension is equal to 2.5% of the benchmark compensation per year of service, subject to a maximum of 24 years. The defined benefit supplementary pension plan was closed on June 30, 2011 by decision of the Supervisory Board meeting of March 24, 2011.

Compensation due or awarded during 2016 to Philippe Audouin, member of the Executive Board, presented to shareholders for advisory vote

Compensation	Amount	Comment
Fixed compensation	€475,000	Philippe Audouin's fixed compensation was increased from €410,000 to €475,000. The previous increase dates from 2012.
Annual variable compensation	€346,033	Basic variable compensation represents 70% of Philippe Audouin's fixed compensation for 2016, *i.e.* €332,500. Total variable compensation is capped at 150% of 2016 basic variable compensation, *i.e.* €498,750. Quantitative and qualitative criteria: During its meeting of March 15, 2016, the Supervisory Board, at the recommendation of the Compensation and Appointment Committee, set the following quantitative and qualitative criteria: **Quantitative criteria:** Quantitative criteria are calculated on 60% of the basic bonus and limited to 120% thereof. Criteria adopted: • change in NAV in absolute terms (25%); • change in NAV in relative terms compared with the performance of the CAC (25%); • compliance of EBIT with budget (10%). **Qualitative criteria:** The qualitative criteria represent 40% of the basic bonus and can represent up to 50% of the basic bonus at the decision of the Compensation and Appointment Committee in the event of an exceptional contribution to issues not identified when setting the annual objectives. • common criteria: contribution to strategic discussions, monitoring of portfolio companies, implementation of the CSR policy, etc. (20% of basic variable compensation); • the discretionary appraisal by the Chairman of the Executive Board (20% of basic variable compensation). Based on the criteria set by the Supervisory Board on March 15, 2016 and actual performance levels noted as of December 31, 2016, variable compensation was calculated as follows: • based on quantitative criteria: 66.07% of the basic bonus, or €219,683 (26.14% in respect of the change in NAV in absolute terms, 29.24% in respect of the change in NAV in relative terms and 10.69% in respect of compliance of EBIT with budget); • based on qualitative criteria: 38% of the basic bonus, or €126,350 (18% in respect of common qualitative criteria and 20% in respect of the discretionary appraisal).
Deferred variable compensation	N/A	Philippe Audouin does not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Philippe Audouin does not receive any multi-year variable compensation.
Special payments	N/A	Philippe Audouin does not receive any special payments.
Stock options, performance shares and all other long-term compensation components	Options: €117,814	41,701 options were granted to Philippe Audouin in respect of 2016. As authorized by the plan rules, Philippe Audouin converted 75% of this initial grant into performance shares. Accordingly, Philippe Audouin was ultimately awarded: • 10,426 share purchase options, valued at €117,817; and • 10,425 performance shares, valued at €369,045. **Performance conditions:** The exercise of options is subject to the attainment of performance conditions assessed at the end of the last vesting period, *i.e.* on May 13, 2020. These performance conditions which concern (i) the comparative stock market performance of the Company's share, after the add-back of dividends, against the CAC 40 index and (ii) Eurazeo's NAV performance, will determine the percentage of options available for exercise as set out below.

<table>
<tr><th>Compensation</th><th>Amount</th><th>Comment</th></tr>
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<tr><th></th><th>< 80% (NAV/share) of the reference amount</th><th>80% < X < 100% (NAV/share) of the reference amount</th><th>> 100% (NAV/share) of the reference amount</th></tr>
<tr><td>Change in the Eurazeo share price (base 100)/Change in the CAC 40 index (base 100) < 80%</td><td>0%</td><td>50%</td><td>75%</td></tr>
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</table>
Eurazeo’s stock market performance will be determined over a four-year period (starting on May 13, 2016 and expiring on May 12, 2020 inclusive) by combining the change in value of the Eurazeo share and the reinvestment of ordinary dividends paid over the same period.
Eurazeo’s stock market performance will be compared with the stock market performance, over the same period, of the CAC 40 index.
Eurazeo’s NAV performance will be determined over a four-year period by comparing the NAV per share in absolute terms as of December 31, 2015 and the NAV per share in absolute terms as of December 31, 2019, increased for dividends paid over the same period.
The 41,701 options granted to Philippe Audouin represent 0.06% of the share capital of Eurazeo at the date of the grant decision.
The grant decision was made by the Supervisory Board meeting of March 15, 2016 pursuant to the authorization granted by the 22nd resolution of the Extraordinary Shareholders’ Meeting of May 12, 2016.
</td></tr>
<tr><td></td><td>Shares:
€369,045</td><td>10,425 performance shares were granted for nil consideration to Philippe Audouin in respect of 2016 following the conversion into performance shares of a portion of the share purchase options granted. These performance shares are subject to a three-year vesting period ending May 12, 2019 and to the same performance conditions as the share purchase options. The attainment of the performance conditions will be assessed at the end of the vesting period, i.e. on May 13, 2019.
The free performance share plan was approved by the Executive Board meeting of May 13, 2016 in accordance with the authorization granted by the 23rd resolution of the Extraordinary Shareholders’ Meeting of May 12, 2016.</td></tr>
<tr><td>Attendance fees</td><td>€88,464</td><td>Attendance fees received during the fiscal year in respect of directorships in investments are deducted from variable compensation payable in respect of the same fiscal year, subject to differences in taxation and social security contributions.</td></tr>
<tr><td>Benefits in kind</td><td>€5,269</td><td>Philippe Audouin has a company car.</td></tr>
<tr><td>Termination benefits</td><td>No payment</td><td>Calculation method:
The amount of termination benefits is determined based on 18-months’ full compensation (fixed + variable) paid during the last 12 months.
Termination benefits payable to Philippe Audouin were authorized by the 14th resolution of the Shareholders’ Meeting of May 7, 2014 and approved by the Supervisory Board meeting of December 5, 2013, on the renewal of his term of office.
Grant conditions:
Payment of termination benefits is subject to performance conditions assessed by comparing the change in Eurazeo’s share price with that of the LPX index:</td></tr>
</table>

Compensation	Amount	Comment
		• if the Company's share performance compared to that of the LPX index is equal to 100% or more between the date of renewal or appointment and the date of termination of his duties, Philippe Audouin will receive 100% of his termination benefits; • if the Company's share performance compared to that of the LPX index is equal to or less than 80% between the date of renewal or appointment and the date of termination of his duties, Philippe Audouin will receive two-thirds of his termination benefits; • between these two limits, termination benefits will be calculated on a proportional basis. Termination benefits will include the compensation due under the collective agreement in the event of termination of the employment contract. He will not be entitled to termination benefits in the event of misconduct. Similarly, these termination benefits will not be paid if Philippe Audouin leaves Eurazeo on his own initiative to take up new duties or if he changes position within the Group or if he is eligible for a pension less than one month following the date of his departure. He will receive half of his termination benefits if he is eligible for a pension one to six months following the date of his departure. In all events, whatever the departure date, the termination benefits received may not exceed the compensation that he would have received for the remaining months to retirement.
Non-compete compensation	No payment	In the event of resignation before March 19, 2018, Philippe Audouin will be bound by a non-compete obligation for a period of six months. In this respect, he will receive a gross, monthly, compensatory allowance corresponding to 33% of the average monthly compensation for the last 12 months preceding the termination of his employment contract. If a termination benefit is paid with respect to this departure, the combined total of the non-compete allowance and the termination benefit must not exceed the combined total of the fixed and variable compensation paid during the two years preceding departure.
Supplementary defined benefit pension plan	No payment	Philippe Audouin benefits from a supplementary defined benefit pension plan authorized by the 14th resolution of the Shareholders' Meeting of May 7, 2014 and approved by the Supervisory Board meeting of December 5, 2013 on the renewal of his term of office. **Description of the pension plan:** **Qualifying conditions:** • receive, in respect of a full calendar year (or reconstituted calendar year for an incomplete year), annual gross compensation equal to or greater than five times the French social security annual ceiling; • have at least four years' service with Eurazeo; • be at least 60 years old and wind-up mandatory pension plans; • have ended his/her career in the Company as defined by pension regulations, this condition being satisfied where the beneficiary is a Company employee at the date of retirement, subject to derogations authorized by the authorities and provided in the regulations. **Calculation method:** • the amount of entitlement is calculated based on the benchmark compensation and the length of service with Eurazeo; • the benchmark compensation is equal to the average compensation received in respect of the 36 months preceding retirement, in the conditions provided by the regulations, consisting of the fixed and variable compensation to the exclusion of all other items, capped at two-times the fixed compensation of the beneficiary; • where the aforementioned criteria are satisfied, the pension is equal to 2.5% of the benchmark compensation per year of service, subject to a maximum of 24 years. The defined benefit supplementary pension plan was closed on June 30, 2011 by decision of the Supervisory Board meeting of March 24, 2011.

Renewal of the term of office of one of the Statutory Auditors

Still pursuant to the ordinary resolutions (12th resolution), shareholders are asked to renew the term of office of Mazars as principal Statutory Auditor of the Company. This Statutory Auditor will be appointed for a period of six years expiring at the end of the Ordinary Shareholders' Meeting to be held in 2023 to approve the financial statements for the prior fiscal year.

This is the first renewal of Mazars' term of office, as it was appointed for the first time by the Ordinary Shareholders' Meeting of May 18, 2011. This proposed renewal of the term of office follows the decision by the Audit Committee not to perform a call for bids based on an assessment of the quality of service rendered by Mazars in Eurazeo and its investments.

Furthermore, following the entry into effect on December 11, 2016 of Law no. 2016-1691 (known as the "Sapin II Law"), the appointment of one or more alternate Statutory Auditors is only required if the principal Statutory Auditor is a private individual or a one-person company (Article L. 823-1 paragraph 2 of the French Commercial Code). Accordingly, shareholders are not asked to appoint an alternate Statutory Auditor.

Share buyback program

As the authorization granted by the Shareholders' Meeting of May 12, 2016 to the Executive Board to carry out transactions in the Company's shares expires on November 11, 2017, the 13th resolution asks shareholders to authorize the Executive Board once again, for a period of 18 months, to carry out transactions in the Company's shares subject to a maximum purchase price per share of €100.

This authorization would enable the Executive Board to purchase shares representing up to 10% of the Company's share capital with a view to:

- cancelling them;
- market-making in the Company's shares under a liquidity contract;
- granting shares to employees and corporate officers of the Company and/or current or future affiliates;
- remitting or exchanging them when the rights attached to debt instruments that entitle holders to receive Company shares are exercised, and particularly with respect to exercising share purchase options, granting bonus share or profit-sharing;
- retaining or using them in exchange or as payment for potential future acquisitions;
- using them in undertaking any other transaction approved or recognized by the law and/or the Financial Markets Authority and any goals consistent with prevailing regulations.

These transactions may not be performed during a takeover period. During such a period, transactions may only be performed to allow the Company to satisfy prior commitments or if the buyback transactions are performed under a prevailing independent share purchase mandate.

Resolutions before the Extraordinary Shareholders' Meeting

Conversion of the Company to a European company

The 14th to 16th resolutions ask shareholders to convert Eurazeo to a European company.

For a number of years, Eurazeo has grown its business outside France; approximately 60% of Eurazeo investments in the last three years have been performed in Europe. The various direct investments performed historically in Germany and Italy and more recently in Spain and Ireland, in addition to the indirect investments performed through the investments in the European Union, lead us to desire a legal form that is recognized internationally.

Furthermore, Eurazeo has had a presence in Luxembourg for many years (2004) and has also operated in Italy for some time.

The legal form of a European company has already been adopted by many major companies (including in the private equity sector). It provides companies with a common set of regulations applicable throughout the European Union and recognized outside the European Union by international investors.

In addition, as we expand our activities in China (2013), Sao Paulo (2015) and New York (2016), it is in our opinion both appropriate and consistent with Eurazeo's economic reality to adopt a European flag.

Finally, the European company form has the advantage of being compatible with our stock market listing and will not change our method of governance.

a. Legal regime governing the conversion

The conversion to a European company is governed by (i) the provisions of Regulation (EC) no. 2157/2001 of October 8, 2001 (hereinafter the "SE Regulation") and particularly Articles 2, paragraph 4 and 37, (ii) Articles L. 225-245-1 and R. 229-20 to R. 229-22 of the French Commercial Code and (iii) the provisions of Directive no. 2001/86/EC supplementing the statute for a European company with regard to the involvement of employees and the French law provisions enacting the SE Directive such as Articles L. 2351-1 *et seq*. of the French Labor Code.

b. Conversion conditions

Pursuant to the provisions of the SE Regulation, a limited liability company incorporated under the laws of a Member State, with its registered office and administrative headquarters in the European Union, may convert to a SE:

- if it has subscribed share capital of at least €120,000;
- if it has had for at least two years a subsidiary governed by the laws of another Member State.

These conditions are satisfied as Eurazeo, a company incorporated under French law with its registered office and its administrative headquarters in France, (i) has a share capital of €212,597,496 and (ii) has held directly for more than two years a subsidiary located in Luxembourg, Eurazeo Services Lux SA.

c. Legal consequences of the conversion

I. COMPANY NAME AFTER THE CONVERSION

After completion of the conversion, the Company will retain its company name "Eurazeo", which will be followed in all documents issued by the Company by the words "European Company" or the initials "SE".

II. REGISTERED OFFICE AND ADMINISTRATIVE HEADQUARTERS OF THE COMPANY

The conversion to a European company will not be accompanied by a transfer of the registered office. The registered office and administrative headquarters of Eurazeo SE will remain located in France at 1 rue Georges Berger, 75017 Paris.

III. EURAZEO SE LEGAL ENTITY AND SHARES

Pursuant to Article 37 paragraph 2 of the SE Regulation, the conversion will not result in the winding-up of Eurazeo or the creation of a new legal entity. After completion of the conversion transaction and from its registration in the Paris Trade and companies register as an SE, the Company will simply continue its activity in the legal form of a European company.

The number of shares issued by Eurazeo and their par value will not be modified by the conversion. The ordinary shares will remain listed on the NYSE Euronext Paris market.

IV. STRUCTURE OF THE SE

The SE Regulation sets out a limited number of rules for the operation of an SE by referring to national legislation in this respect. The operation of Eurazeo SE will therefore be primarily governed by the provisions of the French Commercial Code applicable to the management and administration of limited liability companies, with the exception of certain rules set out in the SE Regulation.

Pursuant to the enclosed draft Bylaws, all the rules set out in the SE Regulation will be applicable to Eurazeo SE, unless the Bylaws refer to national legislation or its own provisions.

Accordingly, the Company will retain its current limited liability company bodies in accordance with the provisions of the SE Regulation, that is:

Shareholders' Meetings

The rules for calculating majority at Shareholders' Meetings will be changed in accordance with the provisions applicable to European companies. While in a limited liability company (*société anonyme*), abstentions and blank votes are considered equivalent to a vote against a resolution at Ordinary and Extraordinary Shareholders' Meetings, the majority at European company Shareholders' Meetings is calculated based on the number of votes "validly cast" excluding votes attaching to shares in respect of which the shareholder has not taken part in the vote or has abstained or has returned a blank or spoilt ballot paper.

Governance structure unchanged

Eurazeo SE will retain a two-tier system comprising an executive board and a supervisory body in accordance with the provisions of Articles 38 b) and 39 to 42 of the SE Regulation and will therefore continue to have an Executive Board and a Supervisory Board. The powers of the Executive Board and Supervisory Board will be unchanged. Completion of the conversion of the Company to a European company will not lead to any change in the members of the Executive Board or the Supervisory Board and the terms of office of members will continue under the same conditions for their remaining period. The members of the Supervisory Board will, however, now be able to appoint one or more Vice-Chairmen.

There will be no change to the four Supervisory Board committees (the Audit Committee, the Finance Committee, the Compensation and Appointment Committee and the CSR Committee).

Pursuant to the provisions applicable to European companies, quorum will be calculated for meetings of the Executive Board and the Supervisory Board taking account of members present and represented.

V. REGULATED AGREEMENTS

Pursuant to Article L. 229-7 of the French Commercial Code, the Eurazeo SE Bylaws provide for the application of a regulated agreements procedure by reference to the provisions applicable to limited liability companies (*sociétés anonymes*) governed by French law.

VI. STATUTORY AUDITORS OF EURAZEO SE

Completion of the conversion of the Company to a European company will have no impact on the terms of office of the Company's Statutory Auditors which will continue under the same conditions for their remaining period.

The Shareholders Meetings will duly note the continuation of current terms of office in the European company.

VII. BYLAWS

Eurazeo's Bylaws will be unchanged, except for the articles concerning the legal form, the company name and regulated agreements.

The provisions of these Bylaws comply with applicable French law provisions.

d. Consequences for shareholders

The conversion will not impact the rights of Company shareholders.

Accordingly, the financial commitment of each shareholder will remain limited to the amount subscribed prior to the conversion of the Company. Similarly, the conversion will not impact each shareholders' share in the voting rights of the Company; in particular, the provisions of the Bylaws concerning double voting rights will remain unchanged.

The conversion in itself will have no impact on the value of Eurazeo securities. The number of shares issued by the Company will not be modified by this operation.

The conversion to a European company will strengthen the policy rights of shareholders, as Article 55 paragraph 1 of the SE Regulation recognizes the ability for one or more shareholders who together hold at least 10% of the Company's subscribed capital to request that a Shareholders' Meeting be called and draw-up the agenda. This provision has no equivalent in French-law limited liability companies.

The conversion to a European company must be approved by an Extraordinary Shareholders' Meeting of Eurazeo.

e. Consequences for employees

The conversion has no impact for employees of a European company, as their employment contracts and all benefits remain unchanged. The rules governing the involvement of employees in the Company remain unchanged.

The conversion requires the completion of the employee involvement procedure set out in Articles L. 2351-1 *et seq.* of the French Labor Code. To this end, pursuant to the provisions of the SE Directive, a Special Negotiating Body (SNB) was formed comprising representatives of employees from all subsidiaries concerned whose registered office is located in the European Union. These negotiations, to be completed within a maximum period of six months renewable once, may lead to:

- a written agreement on the arrangements for the involvement of employees within the SE;
- a decision taken by double qualified majority not to open negotiations or to terminate negotiations already opened, and to rely on the rules on information and consultation of employees in force in the Member States where the SE has employees;
- application of the subsidiary provisions concerning work councils in European companies set out in Articles L. 2353-1 *et seq.* of the French Labor Code, following the negotiation period provided for in Article L. 2352-9 of the same Code, where no agreement is reached.

The registration of the Company as a European company officializing its conversion, may not be performed before completion of this employee involvement procedure.

The 14th resolution asks shareholders to authorize the conversion of the Company to a European company with an Executive Board and a Supervisory Board. The 15th resolution asks shareholders to approve the Bylaws of the Company in its new legal form as a European company and the 16th resolution asks shareholders to transfer to the Executive Board of the Company in its new form all the authorizations and delegations of power currently in effect.

Share capital decrease by cancelling shares

In the 17th resolution, shareholders are asked to renew, for a period of 26 months, the authorization granted to the Executive Board to decrease the share capital by cancelling some or all of the shares purchased by the Company or that it may purchase under share buyback programs authorized by Shareholders' Meetings, up to a maximum of 10% of the share capital by 24-month period.

Pursuant to the preceding delegation authorized by the Shareholders' Meeting of May 6, 2015, the Company cancelled 2,459,069 shares representing 3.39% of the share capital on December 23, 2015, 1,764,736 shares representing 2.39% of the share capital on June 24, 2016 and 2,204,713 shares representing 3.06% of the share capital on December 27, 2016. This authorization will supersede, for the unused portion, the 12th resolution adopted by the Shareholders' Meeting of May 6, 2015.

Delegation of authority in the event of takeover bids targeting the Company's shares, to issue bonus share warrants to the Company's shareholders

In the 18th resolution, shareholders are asked to renew the authorization granted to the Executive Board to issue bonus share warrants to the Company's shareholders, in the event of takeover bids targeting the Company's shares. These warrants would enable shareholders to subscribe for shares in the Company at preferential conditions.

The maximum par value amount of shares that may be issued as a result of the exercise of these warrants would be €100 million. The objective of these warrants is to enable the best price to be negotiated for all shareholders in the event of an unsolicited takeover bid within the restrictive conditions for the use of this measure. Following discussions with various shareholders and representative bodies, it became apparent that the previous terms of this resolution could be considered to represent an anti-takeover measure due to the large number of warrants concerned. Accordingly, the amount has been reduced by half compared with the authorization approved by the Shareholders' Meeting of May 12, 2016. No issues were performed pursuant to the preceding delegation authorized by the Shareholders Meeting of May 12, 2016.

This authorization would be granted for any issue of share warrants in connection with a takeover bid targeting the Company registered within 18 months of this Shareholders' Meeting. It would supersede the authorization granted by the 25th resolution of the Shareholders' Meeting of May 12, 2016 which will expire on November 11, 2017.

Delegation of authority to increase share capital by issuing ordinary shares and/or securities granting access, immediately or in the future, to share capital reserved for members of a Company Savings Plan, with cancellation of preferential subscription rights in their favor

The 19th resolution asks shareholders to renew the authorization granted to the Executive Board to increase the share capital by issuing ordinary shares and/or securities reserved for members of a Company Savings Plan pursuant to the provisions of Articles L. 225-129 *et seq.* and L. 225-138-1 of the French Commercial Code, and Articles L. 3332-18 *et seq.* of the French Labor Code, up to a maximum par value amount of €2 million, unchanged compared with the amount authorized by the Shareholders' Meeting of May 12, 2016.

The subscription price of shares issued under this delegation of authority would be set by the Executive Board in accordance with the provisions of Article L. 3332-19 of the French Labor Code.

No issues were performed pursuant to the preceding delegation authorized by the Shareholders Meeting of May 12, 2016 in its 24th resolution.

This delegation would be granted for a period of 26 months and would supersede the authorization granted by the resolution adopted by the Shareholders' Meeting of May 12, 2016.

AGENDA

Resolutions before the Ordinary Shareholders' Meeting

1. Approval of the Company financial statements for the year ended December 31, 2016.
2. Allocation of net income for the year and dividend distribution.
3. Approval of the consolidated financial statements for the year ended December 31, 2016.
4. Approval of agreements and commitments governed by Article L. 225-86 of the French Commercial Code.
5. Renewal of the term of office of Stéphane Pallez as a member of the Supervisory Board.
6. Appointment of Anne Dias as a member of the Supervisory Board.
7. Approval of the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Supervisory Board.
8. Approval of the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Executive Board.
9. Advisory vote on the compensation due or awarded in respect of fiscal year 2016 to Michel David-Weill, Chairman of the Supervisory Board.
10. Advisory vote on the compensation due or awarded in respect of fiscal year 2016 to Patrick Sayer, Chairman of the Executive Board.
11. Advisory vote on the compensation due or awarded in respect of fiscal year 2016 to Virginie Morgon and Philippe Audouin, members of the Executive Board.
12. Renewal of the term of office of one of the principal Statutory Auditors.
13. Authorization of a share buyback program by the Company for its own shares.

Resolutions before the Extraordinary Shareholders' Meeting

14. Approval of the conversion of the legal form of the Company through adoption of the European company legal form and the draft terms of conversion.
15. Approval of the Bylaws of the Company in its new legal form as a European company.
16. Transfer to the Executive Board of the Company in its new legal form as a European company of all authorizations and delegations of power currently in effect granted by shareholders to the Executive Board of the Company in its legal form as a limited liability company (*société anonyme*).
17. Authorization to the Executive Board to decrease the share capital by cancelling shares purchased under share buyback programs.
18. Delegation of authority to the Executive Board, in the event of takeover bids targeting the Company's shares, to issue bonus share warrants to the Company's shareholders.
19. Delegation of authority to the Executive Board to increase share capital by issuing ordinary shares and/or securities granting access, immediately or in the future, to share capital reserved for members of a Company Savings Plan, with cancellation of preferential subscription rights in their favor.
20. Powers to carry out formalities.

7.4 DRAFT RESOLUTIONS

RESOLUTIONS BEFORE THE ORDINARY SHAREHOLDERS' MEETING

1st resolution: Approval of the Company financial statements for the year ended December 31, 2016

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, the Supervisory Board's observations, the Statutory Auditors' report as well as the Company financial statements for the year ended December 31, 2016, approves the Company financial statements for the year ended December 31, 2016 as presented to the Shareholders' Meeting, as well as the transactions reflected therein and summarized in these reports.

2nd resolution: Allocation of net income for the year and dividend distribution

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, the Supervisory Board's observations and the Statutory Auditors' report, resolves to allocate net income as follows based on 69,704,094 shares outstanding as of December 31, 2016:

(In euros)

• Retained earnings brought forward	0.00
• Net income for the year	389,611,051.70
Giving a total of	**389,611,051.70**
• To the Legal reserve	0.00
• To payment of an ordinary dividend of €1.20 per share	83,644,912.80
• To Other reserves	150,000,000.00
• To Retained earnings	155,966,138.90
Giving a total of	**389,611,051.70**

Pursuant to Article L.225-210 of the French Commercial Code, the Shareholders' Meeting resolves that the dividends payable on treasury shares held at the payment date shall be allocated to "Other reserves".

This distribution is fully eligible for the 40% tax rebate provided for in Article 158.3.2° of the French General Tax Code for qualifying shareholders.

The dividend will be paid exclusively in cash on May 18, 2017.

In accordance with Article 243 bis of the French General Tax Code, the Shareholders' Meeting hereby notes that dividends per share for the previous three fiscal years were as follows:

(In euros)	Year ended 12/31/2013	Year ended 12/31/2014	Year ended 12/31/2015
Dividend	1.20	1.20	1.20
Rebate provided for by Article 158.3.2° of the French General Tax Code *	Distribution fully eligible for the 40% tax rebate	Distribution fully eligible for the 40% tax rebate	Distribution fully eligible for the 40% tax rebate
Total income per share	1.20	1.20	1.20

* As permitted by applicable law.

The Shareholders' Meeting grants full powers to the Executive Board to determine, notably with respect to the number of treasury shares held by the Company at the dividend payment date and, where applicable, the number of shares cancelled prior to this date, the total dividend distribution and, accordingly, the amount of distributable earnings to be allocated to "Other reserves".

3rd resolution: Approval of the consolidated financial statements for the year ended December 31, 2016

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, the Supervisory Board's observations, the Statutory Auditors' report as well as the consolidated financial statements for the year ended December 31, 2016, approves the consolidated financial statements for the year ended December 31, 2016 as presented to the Shareholders' Meeting, as well as the transactions reflected therein and summarized in these reports.

4th resolution: Approval of agreements and commitments governed by Article L. 225-86 of the French Commercial Code

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Statutory Auditors' Special Report on regulated agreements and commitments referred to in Article L. 225-86 of the French Commercial Code, approves the agreements and commitments presented in this report and not yet approved by Shareholders' Meeting.

5th resolution: Renewal of the term of office of Stéphane Pallez as a member of the Supervisory Board

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and having reviewed the Executive Board's report, renews the term of office of Stéphane Pallez as a member of the Company's Supervisory Board for a period of four years expiring at the end of the Ordinary Shareholders' Meeting held in 2021 to approve the financial statements for the prior year.

6th resolution: Appointment of Anne Dias as a member of the Supervisory Board

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and having reviewed the Executive Board's report, appoints Anne Dias as a member of the Company's Supervisory Board for a period of four years expiring at the end of the Ordinary Shareholders' Meeting held in 2021 to approve the financial statements for the prior year.

7th resolution: Approval of the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Supervisory Board

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and having reviewed the report on compensation policy prepared in accordance with Article L. 225-82-2 of the French Commercial Code, approves the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Supervisory Board as presented in this report.

8th resolution: Approval of the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Executive Board

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and having reviewed the report on compensation policy prepared in accordance with Article L. 225-82-2 of the French Commercial Code, approves the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of total compensation and benefits of all kind, that may be awarded to members of the Executive Board as presented in this report.

9th resolution: Advisory vote on the compensation due or awarded in respect of fiscal year 2016 to Michel David-Weill, Chairman of the Supervisory Board

The Shareholders' Meeting, consulted pursuant to recommendation 26 of the AFEP-MEDEF Corporate Governance Code issued in November 2016, which is the Company's reference code pursuant to Article L. 225-68 of the French Commercial Code, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having reviewed the Executive Board's report, issues a favorable opinion on the components of compensation due or awarded in respect of fiscal year 2016 to Michel David-Weill, as presented in Section 3.2 of the Registration Document and summarized in the presentation of the resolutions.

10th resolution: Advisory vote on the compensation due or awarded in respect of fiscal year 2016 to Patrick Sayer, Chairman of the Executive Board

The Shareholders' Meeting, consulted pursuant to recommendation 26 of the AFEP-MEDEF Corporate Governance Code issued in November 2016, which is the Company's reference code pursuant to Article L. 225-68 of the French Commercial Code, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having reviewed the Executive Board's report, issues a favorable opinion on the components of compensation due or awarded in respect of fiscal year 2016 to Patrick Sayer, as presented in Section 3.2 of the Registration Document and summarized in the presentation of the resolutions.

11th resolution: Advisory vote on the compensation due or awarded in respect of fiscal year 2016 to Virginie Morgon and Philippe Audouin, members of the Executive Board

The Shareholders' Meeting, consulted pursuant to recommendation 26 of the AFEP-MEDEF Corporate Governance Code issued in November 2016, which is the Company's reference code pursuant to Article L. 225-68 of the French Commercial Code, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having reviewed the Executive Board's report, issues a favorable opinion on the components of compensation due or awarded in respect of fiscal year 2016 to Virginie Morgon and Philippe Audouin, as presented in Section 3.2 of the Registration Document and summarized in the presentation of the resolutions.

12th resolution: Renewal of the term of office of one of the principal Statutory Auditors

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and having reviewed the Executive Board's report, renews the term of office as principal Statutory Auditor of Mazars for a period of six years expiring at the end of the Ordinary Shareholders' Meeting held in 2023 to approve the financial statements for the prior year.

13th resolution: Authorization of a share buyback program by the Company for its own shares

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report and pursuant to Article L. 225-209 of the French Commercial Code, Articles 241-1 to 241-7 and 612-1 to 612-4 of the AMF General Regulations and Articles 5 and 13 of the market abuse regulation (Regulation no. 596/2014/EU):

- terminates, with immediate effect, the unused portion of the authorization granted to the Executive Board to purchase shares of the Company pursuant to the 12th resolution of the Combined Shareholders' Meeting of May 12, 2016;
- authorizes the Executive Board to carry out transactions in Company shares up to an amount representing 10% of the share capital on the date of such purchases, as calculated in accordance with applicable laws and regulations, provided, however, that the total number of Company shares held by it following such purchases does not exceed 10% of the share capital.

The maximum purchase price per share is set at €100 (excluding acquisition costs), that is a total maximum amount allocated to the share buyback program of €697,040,940, based on a total of 69,704,094 shares outstanding as of December 31, 2016. It should be noted, however, that in the event of changes in the share capital resulting, in particular, from the capitalization of reserves and the granting of bonus shares, stock splits or reverse splits, the above-mentioned price will be revised accordingly.

Shares may be bought, sold or transferred by any means, in one or more transactions, particularly on the market or over the counter, including through block trades, public offerings, the use of derivatives or of warrants or other securities granting access to share capital, or by creating option mechanisms, as permitted by the financial market authorities and in accordance with applicable regulations.

The Company may use this authorization for the following purposes, in compliance with the above-mentioned statutes and financial market practices authorized by the Financial Markets Authority:

- cancelling shares, in accordance with the authorization granted to the Executive Board at the Extraordinary Shareholders' Meeting;
- market-making in the Company's shares under a liquidity contract with an independent investment service provider, in accordance with the French Financial Markets Authority's Code of Ethics;
- granting shares to employees and corporate officers of the Company and/or of current or future affiliates as allowed by law, particularly with respect to exercising share purchase options, granting free shares or profit sharing;
- remitting or exchanging shares when the rights attached to debt instruments that entitle holders to receive Eurazeo shares are exercised;
- undertaking any other transaction approved or recognized by the law and/or the Financial Markets Authority and any goals consistent with prevailing regulations.

The Company may also use this authorization with a view to retaining or using shares in exchange or as payment for potential future acquisitions. In accordance with Article L. 225-209 of the French Commercial Code, the number of shares purchased by the Company with a view to holding and subsequently presenting them in payment or exchange in connection with an acquisition, cannot exceed 5% of the Company's share capital.

This authorization is granted for a period of 18 months commencing this Shareholders' Meeting.

Company shares may be purchased, sold or transferred at any time, subject to applicable laws and regulations, except during a takeover period. During such a period, these transactions may only be performed to allow the Company to satisfy prior commitments or if the buyback transactions are performed under a prevailing independent share purchase mandate.

As required by applicable regulations, the Company will report purchases, disposals and transfers to the Financial Markets Authority and generally complete all formalities or filing requirements.

The Shareholders' Meeting grants full powers to the Executive Board, which may delegate such power as provided by Article L. 225-209 paragraph 3 of the French Commercial Code, to implement this authorization and to set the terms and conditions thereof, in particular, to adjust the above purchase price in the event of changes in shareholders' equity, share capital or the par value of shares, to place any orders on the stock exchange, enter into agreements, complete all filing requirements and formalities and generally do all that is necessary.

RESOLUTIONS BEFORE THE EXTRAORDINARY SHAREHOLDERS' MEETING

14th resolution: Approval of the conversion of the legal form of the Company through adoption of the European company legal form and the draft terms of conversion

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having reviewed:

- the draft terms of conversion of the Company to a European company prepared by the Executive Board of the Company on March 9, 2017, approved by the Supervisory Board on March 16, 2017 and filed with the clerk of the Paris Commercial Court on March 31, 2017;
- the Executive Board's report explaining and substantiating the legal and economic aspects of the conversion and detailing the consequences for shareholders and employees of the adoption of the legal form of a European company;
- the report of the conversion auditor appointed by order of the Presiding Judge of the Paris Commercial Court;

- the favorable opinion of the works council on the draft terms of conversion of the Company to a European company dated March 15, 2017;

after having duly noted that the Company meets the conditions required by the provisions of Council Regulation EC no. 2157/2001 of October 8, 2001 on the statute for a European company, and in particular those set out in Articles 2 paragraph 4 and 37 of this Regulation, as well as the conditions set out in Article L. 225-245-1 of the French Commercial Code relating to the conversion of a limited liability company (*société anonyme*) to a European company;

and after having noted that:

- the conversion to a European company shall not result in either the winding-up of the Company or in the creation of a new legal entity;
- the Company's term, its corporate purpose and registered office shall not undergo any change;
- the Company's share capital shall remain the same amount, with the same number of shares; the ordinary shares shall remain listed on the NYSE Euronext Paris regulated market;
- the members of the Supervisory Board, the members of the Executive Board and the principal and alternate Statutory Auditors in office at the time of the conversion to a European company shall continue to serve the Company for the remaining duration of their terms of office under the same conditions as those applying before the Company's registration in the form of a European company;
- the length of the current fiscal year shall not undergo any change as a result of the adoption of the European company legal form and the financial statements shall be prepared, presented and audited according to the conditions defined by the Company's Bylaws under its new legal form and the provisions of the French Commercial Code relating to European companies;

after having duly noted, in accordance with Article 12 paragraph 2 of the aforementioned Regulation, that the Company shall not be registered as a European company unless the procedure relating to employee involvement, as provided for in Articles L. 2351-1 *et seq.* of the French Labor Code, has been completed;

resolves to convert the Company's legal form to a European company (*Societas Europaea*) with an Executive Board and a Supervisory Board in accordance with the draft terms of conversion approved by the Executive Board;

takes note that this conversion of the Company to a European company shall take effect upon the Company's registration as a European company with the Paris Commercial and Companies Registry;

and grants full powers to the Executive Board to take all decisions and to carry out all formalities required for the registration of the Company as a European company.

15th resolution: Approval of the Bylaws of the Company in its new legal form as a European company

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having reviewed the draft Bylaws of the Company in its new legal form as a European company authorized by the Executive Board and approved by the Supervisory Board and the Executive Board's report, resolves, subject to the approval of the 14th resolution, to adopt, article by article and as a whole, the text of the Bylaws which will govern the Company in its new legal form as from the definitive completion of its conversion to a European company, a copy of which will be appended to the minutes of this meeting.

16th resolution: Transfer to the Executive Board of the Company in its new legal form as a European company of all authorizations and delegations of power currently in effect granted by shareholders to the Executive Board of the Company in its legal form as a limited liability company *(société anonyme)*

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having reviewed:

- the draft terms of conversion of the Company to a European company prepared by the Executive Board on March 9, 2017, approved by the Supervisory Board on March 16, 2017 and filed with the clerk of the Paris Commercial Court on March 31, 2017; and
- the Executive Board's report explaining and substantiating the legal and economic aspects of the conversion and detailing the consequences for shareholders and employees of the adoption of the legal form of a European company;

resolves, subject to the approval of the 14th resolution, that all authorizations and delegations of power granted to the Executive Board of the Company in its current legal form as a limited liability company *(société anonyme)* by Shareholders' Meetings validly convened prior to the date of these resolutions and/or in effect on the date of completion of the conversion to a European company, shall, on the date of definitive completion of the conversion, be automatically transferred to the Executive Board of the Company in its new legal form as a European company.

17th resolution: Authorization to the Executive Board to decrease the share capital by cancelling shares purchased under share buyback programs

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having reviewed the Executive Board's report and the Statutory Auditors' Special Report and pursuant to Article L. 225-209 of the French Commercial Code:

1. authorizes the Executive Board, subject to the prior authorization of the Supervisory Board pursuant to Article 14 of the Bylaws, to decrease the share capital, in one or more transactions, by cancelling some or all of the shares purchased under the Company's share buyback program, up to a maximum of 10% of the share capital by 24-month period, it being noted that this maximum applies to an amount of share capital that may be adjusted, if necessary, to take into account transactions impacting share capital subsequent to this Shareholders' Meeting;
2. resolves that any excess of the purchase price of the shares over the par value will be charged to share, merger, or contribution premium accounts or to other available reserve accounts, including the legal reserve for up to 10% of the decrease in share capital;
3. resolves that this authorization is granted for a period of 26 months from the date of this Shareholders' Meeting;
4. grants full powers to the Executive Board, which may delegate such powers to its Chairman, to carry out and record these capital decreases, make the necessary amendments to the Bylaws if this authorization is used, as well as to handle all related disclosures, announcements and formalities;

5. resolves that this authorization supersedes the unused portion of any previous authorization with the same purpose.

18th resolution: Delegation of authority to the Executive Board, in the event of takeover bids targeting the Company's shares, to issue bonus share warrants to the Company's shareholders

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and having reviewed the Executive Board's report and the Statutory Auditors' Special Report, delegates its authority to the Executive Board, pursuant to Articles L. 233-32 II and L. 233-33 of the French Commercial Code, to:

a) resolve to issue, in one or more transactions, in the proportions and at the times that it deems fit, bonus share warrants to all eligible shareholders before the expiry of the takeover bid, enabling them to subscribe for Company shares on preferential terms.

The maximum number of share warrants that may be issued will be equal to the number of shares outstanding at the time that the warrants are issued. The maximum par value amount of the share capital increase that may result from the exercise of all such warrants issued is €100 million. This maximum will be increased by the amount corresponding to the par value of the securities needed to make any adjustments that may be required under applicable laws and regulations, and, where applicable, contractual provisions calling for other adjustments, in order to preserve the rights of holders of the above-mentioned warrants;

b) set, with the power to delegate authority to its Chairman and/or one of its members as permitted by law and the Bylaws, the conditions under which warrants may be exercised, based on the terms of the offer or any competing offer, as well as the other features of these warrants. Subject to the restrictions set forth above, the Executive Board will have full powers, and may delegate such powers, to:

- → determine the terms and conditions under which warrants are issued,
- → decide the number of warrants to be issued,
- → decide, where applicable, the conditions under which the rights attached to the warrants may be exercised, and in particular:
  - set a strike price or how that price is to be set,
  - determine the conditions of the share capital increase(s) necessary to allow holders of warrants to exercise the rights attached to such warrants,
  - set the date, which may be retroactive, as of which the shares acquired through the exercise of rights attached to warrants will rank for dividends, as well as all other terms and conditions of issues necessary to allow holders of warrants to exercise the rights attached to such warrants,
- → decide that the rights to receive fractional warrants will not be negotiable and that the corresponding securities will be sold,
- → provide for the suspension for up to three months, if necessary, of the exercise of rights attached to warrants,
- → establish, as required, the conditions for preserving the rights of holders of warrants, in accordance with applicable laws and regulations, and, where applicable, relevant contractual provisions,
- → offset the costs, fees and expenses related to share capital increases resulting from the exercise of these warrants against the amount of the related premium, and deduct from these amounts the amounts required to bring the legal reserve to one-tenth of the share capital,
- → generally, enter into all agreements, particularly to ensure the successful completion of the planned transaction(s), take all steps and complete all formalities required for the issue or granting of warrants issued under this delegation of authority and for the exercise of the rights attached to such warrants, formally record the resulting share capital increases, amend the Bylaws accordingly and list the securities to be issued on the stock exchange.

The share warrants will automatically expire by law if the offer or any competing offer fails, expires or is withdrawn. It should be noted that warrants that expire pursuant to law will not be taken into account in the calculation of the maximum number of warrants that may be issued as indicated above.

The authorization hereby granted to the Executive Board will be valid for any issue of share warrants in connection with a takeover bid targeting the Company registered within 18 months of this Shareholders' Meeting and supersedes the authorization granted by the 25th resolution of the Combined Shareholders' Meeting of May 12, 2016.

19th resolution: Delegation of authority to the Executive Board to increase share capital by issuing ordinary shares and/or securities granting access, immediately or in the future, to share capital reserved for members of a Company Savings Plan, with cancellation of preferential subscription rights in their favor

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having reviewed the Executive Board's report and the Statutory Auditors' Special Report and pursuant to Articles L. 225-129 *et seq.* and L. 225-138-1 of the French Commercial Code, and Articles L. 3332-1 and L. 3332-18 *et seq.* of the French Labor Code:

1. delegates authority to the Executive Board to increase the Company's share capital up to an aggregate par value amount of €2,000,000, in one or more transactions, by issuing ordinary shares and/or securities granting access, immediately or in the future, to share capital reserved for the employees of the Company and/or its affiliates, within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code, subscribing to such shares either directly or through the intermediary of one or more employee savings mutual funds (FCPE), provided that such employees are members of a Company Savings Plan;

2. authorizes the Executive Board to grant free ordinary shares and/or securities granting access to share capital of the Company, as part of these share capital increases, with the understanding that the benefit resulting from the granting of free shares represented by the additional contribution and/or discount will not exceed the limits provided for under Article L. 3332-21 of the French Labor Code;

3. resolves to cancel shareholder preferential subscription rights to the ordinary shares and/or securities granting access to share capital issued pursuant to this resolution in favor of these employees, as well as to waive all rights to ordinary shares and securities granting access to share capital that may be granted for nil consideration pursuant to this resolution;

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4. resolves that the subscription price of ordinary shares and/or securities granting access to share capital of the Company issued under this delegation of authority will be set by the Executive Board in accordance with the provisions of Article L. 3332-19 of the French Labor Code;
5. grants full powers to the Executive Board, which may delegate such powers as provided for by law, to establish the conditions and procedures for implementing share capital increases decided pursuant to this resolution, and in particular:
   - determine the companies whose employees will be entitled to subscribe for shares,
   - decide the number of ordinary shares and/or securities to be issued and the date from which they will rank for dividends,
   - set the terms and conditions of the ordinary share and/or securities issue, in compliance with the law, and the period of time given to employees to exercise their rights,
   - decide the time period and procedure for paying for the ordinary shares; this time period may not exceed three years,
   - offset the cost of the share capital increase(s) against the amount of the corresponding premiums,
   - establish, as required, the conditions for preserving the rights of holders of securities granting access to share capital, in accordance with applicable laws and regulations, and, where applicable, relevant contractual provisions,
   - formally record the resulting share capital increase(s) up to the amount of shares subscribed and amend the Bylaws accordingly,
   - carry out all transactions and formalities required to complete the share capital increase(s).

This delegation of authority, which supersedes, as of this day, the authorization granted by the 24th resolution of the Combined Shareholders' Meeting of May 12, 2016, is granted for a period of 26 months commencing this Shareholders' Meeting.

RESOLUTION BEFORE THE ORDINARY SHAREHOLDERS' MEETING

20th resolution: Powers to carry out formalities.

The Shareholders' Meeting grants full powers to the Chairman of the Executive Board or his representative(s), and bearers of these minutes or of a copy or extract thereof, for the purpose of all necessary filings, registrations and formalities.

APPENDIX

DRAFT AMENDMENTS TO THE COMPANY'S BYLAWS AS A RESULT OF THE CONVERSION TO A EUROPEAN COMPANY

Former wording	New wording
Article 1: Legal form of the Company	
The Company is a French limited liability company (*société anonyme*), with an Executive Board and a Supervisory Board. It is governed by applicable laws and regulations, in particular Articles L. 225-57 to L. 225-93 of the French Commercial Code and by these Bylaws.	The Company is a European company (*Societas Europaea*, or "SE") with an Executive Board and a Supervisory Board pursuant to a decision of the Extraordinary Shareholders' Meeting of May 11, 2017. It is governed by current and future French and European legislative and regulatory provisions and the present Bylaws.
Article 2: Company name	
The Company name is "EURAZEO".	The Company name is "EURAZEO". In all deeds and documents issued by the Company, the Company name shall be followed by the words "European Company" or the initials "SE".
Article 3: Corporate purpose	
The purpose of the Company, in France and all other countries, directly or indirectly, is: • the management of its funds and their investment over the short, medium or long term; • the acquisition, management and disposal, by all available means, of all minority or controlling interests, and generally of all listed and unlisted securities and all real and movable property, in France and elsewhere; • the sponsoring and acquisition of investment funds and the acquisition of interests in funds of this type; • the acquisition, disposal, management and operation, by way of leasing or otherwise, of all real property and buildings that it owns, principally in the cities of Lyons and Marseilles, or that it may acquire or build; • the performance of services on behalf of entities or companies in which the Company holds an equity stake; • the grant of security interests, endorsements and guaranties to facilitate the financing of subsidiaries or entities in which the Company holds an investment; • and more generally, all financial, industrial, commercial, real and movable property transactions, directly or indirectly related to one of those purposes or to any similar or related purpose.	The purpose of the Company, in France and all other countries, directly or indirectly, is: • the management of its funds and their investment over the short, medium or long term; • the acquisition, management and disposal, by all available means, of all minority or controlling interests, and generally of all listed and unlisted securities and all real and movable property, in France and elsewhere; • the sponsoring and acquisition of investment funds and the acquisition of interests in funds of this type; • the acquisition, disposal, management and operation, by way of leasing or otherwise, of all real property and buildings that it owns, principally in the cities of Lyons and Marseilles, or that it may acquire or build; • the performance of services on behalf of entities or companies in which the Company holds an equity stake; • the grant of security interests, endorsements and guaranties to facilitate the financing of subsidiaries or entities in which the Company holds an investment; • and more generally, all financial, industrial, commercial, real and movable property transactions, directly or indirectly related to one of those purposes or to any similar or related purpose.
Article 4: Registered office	
The Company's registered office is located at 1, rue de Georges Berger in Paris (17th District). The registered office may be transferred to another location in the same county (*département*) or a neighboring county (*département*) by a decision of the Supervisory Board, subject to confirmation of this decision by the next Ordinary Shareholders' Meeting.	The Company's registered office is located at 1, rue de Georges Berger in Paris (17th District). The registered office may be transferred to another location in the same county (*département*) or a neighboring county (*département*) by a decision of the Supervisory Board, subject to confirmation of this decision by the next Ordinary Shareholders' Meeting and anywhere else in the European Union by a decision of an Extraordinary Shareholders' Meeting.

Former wording	New wording
Article 5: Company term	
Except in the event of dissolution or extension by decision of an Extraordinary Shareholders' Meeting, the Company is incorporated for ninety-nine years as from the date of registration with the Trade and Companies Registry, that is, July 1, 1969.	Except in the event of dissolution or extension by decision of an Extraordinary Shareholders' Meeting, the Company is incorporated for ninety-nine years as from the date of registration with the Trade and Companies Registry, that is, July 1, 1969.
Article 6: Share capital	
The Company has a share capital of two hundred and twelve million, five hundred and ninety-seven thousand, four hundred and ninety-six euros (€212,597,496). It is divided into sixty-nine million, seven hundred and four thousand and ninety-four (69,704,094) fully paid-up shares of the same par value. There are two classes of share: • 69,695,829 class A shares ("A Shares") which are ordinary shares; and • 8,265 class B shares ("B Shares"), which are preference shares issued pursuant to Articles L. 228-11 *et seq.* of the French Commercial Code. A Shares and B Shares are referred to collectively in these Bylaws as "shares". Holders of A Shares are referred to as "A Shareholders" and holders of B Shares as "B Shareholders", with A Shareholders and B Shareholders referred to collectively as "shareholders".	The Company has a share capital of two hundred and twelve million, five hundred and ninety-seven thousand, four hundred and ninety-six euros (€212,597,496). It is divided into sixty-nine million, seven hundred and four thousand and ninety-four (69,704,094) fully paid-up shares of the same par value. There are two classes of share: • 69,695,829 class A shares ("A Shares") which are ordinary shares; and • 8,265 class B shares ("B Shares"), which are preference shares issued pursuant to Articles L. 228-11 *et seq.* of the French Commercial Code. A Shares and B Shares are referred to collectively in these Bylaws as "shares". Holders of A Shares are referred to as "A Shareholders" and holders of B Shares as "B Shareholders", with A Shareholders and B Shareholders referred to collectively as "shareholders".
Article 7: Form of shares	
A shareholder may choose whether fully paid-up A Shares are held in registered or bearer form. Fully paid-up B Shares are held in registered form. They are recorded in an account governed by relevant law and regulations. Pursuant to applicable laws and regulations, and subject to the corresponding penalties, the Company may at any time ask an institution or broker to disclose the name, address and nationality of individuals or entities holding securities conferring current or future voting rights at the Company's Shareholders' Meetings, as well as the number of securities held by each individual or entity and any restrictions on the securities held.	A shareholder may choose whether fully paid-up A Shares are held in registered or bearer form. Fully paid-up B Shares are held in registered form. They are recorded in an account governed by relevant law and regulations. Pursuant to applicable laws and regulations, and subject to the corresponding penalties, the Company may at any time ask an institution or broker to disclose the name, address and nationality of individuals or entities holding securities conferring current or future voting rights at the Company's Shareholders' Meetings, as well as the number of securities held by each individual or entity and any restrictions on the securities held.

Former wording	New wording
Article 8: Information on share capital ownership	
Any individual or legal entity which, acting alone or jointly with others, comes to hold, either directly or indirectly, within the meaning of Articles L. 233-7 *et seq.* of the French Commercial Code, one percent (1%) or more of the outstanding shares or voting rights of the Company shall communicate the information set out in Article L. 233-7 of the French Commercial Code to the Company and particularly the aggregate number of shares, voting rights and future rights to shares to be issued and the related voting rights it holds. It shall also report that information to the Company whenever the number of shares or voting rights it owns increases by an additional one percent (1%) or more of the total number of outstanding shares and voting rights.	Any individual or legal entity which, acting alone or jointly with others, comes to hold, either directly or indirectly, within the meaning of Articles L. 233-7 *et seq.* of the French Commercial Code, one percent (1%) or more of the outstanding shares or voting rights of the Company shall communicate the information set out in Article L. 233-7 of the French Commercial Code to the Company and particularly the aggregate number of shares, voting rights and future rights to shares to be issued and the related voting rights it holds. It shall also report that information to the Company whenever the number of shares or voting rights it owns increases by an additional one percent (1%) or more of the total number of outstanding shares and voting rights.
This information must be provided to the Company no later than five (5) stock market days after any acquisition of shares or voting rights which brings the total held to one percent or a multiple thereof.	This information must be provided to the Company no later than five (5) stock market days after any acquisition of shares or voting rights which brings the total held to one percent or a multiple thereof.
Should a shareholder fail to comply with the above provisions and at the request of one or more shareholders owning five percent (5%) or more of the outstanding shares, duly recorded in the minutes of the Shareholders' Meeting, any unreported shares or voting rights shall be barred from voting at all Shareholders' Meetings held during a period of two (2) years commencing the date they are reported by the owner.	Should a shareholder fail to comply with the above provisions and at the request of one or more shareholders owning five percent (5%) or more of the outstanding shares, duly recorded in the minutes of the Shareholders' Meeting, any unreported shares or voting rights shall be barred from voting at all Shareholders' Meetings held during a period of two (2) years commencing the date they are reported by the owner.
The foregoing reporting requirement shall also apply whenever the portion of shares or voting rights held decreases by one percent (1%) or more of the outstanding shares or voting rights.	The foregoing reporting requirement shall also apply whenever the portion of shares or voting rights held decreases by one percent (1%) or more of the outstanding shares or voting rights.
Article 9: Rights attached to each share	
I° Common rights attached to all shares	I° Common rights attached to all shares
In addition to the voting right conferred by law, each share confers entitlement to a portion of the profits or liquidation surplus in direct proportion to the existing number of shares.	In addition to the voting right conferred by law, each share confers entitlement to a portion of the profits or liquidation surplus in direct proportion to the existing number of shares.
On each occasion where it is necessary to own a certain number of shares in order to vote, it remains the responsibility of those shareholders not possessing the required number to arrange the grouping of shares required.	On each occasion where it is necessary to own a certain number of shares in order to vote, it remains the responsibility of those shareholders not possessing the required number to arrange the grouping of shares required.
II° Rights and restrictions specific to B Shares	II° Rights and restrictions specific to B Shares
1. At the end of the lock-up period for B Shares, as set out in the B Share free grant plan deciding their grant (the "Lock-up Period") (the "Lock-up Period Expiry Date"), each B Shareholder has the right to convert some or all of the B Shares held into A Shares under the conditions set out in paragraphs 3 to 6.	**1.** At the end of the lock-up period for B Shares, as set out in the B Share free grant plan deciding their grant (the "Lock-up Period") (the "Lock-up Period Expiry Date"), each B Shareholder has the right to convert some or all of the B Shares held into A Shares under the conditions set out in paragraphs 3 to 6.
2. B Shares are freely transferable between B Shareholders from the Lock-up Period Expiry Date.	**2.** B Shares are freely transferable between B Shareholders from the Lock-up Period Expiry Date.
3. During a period of thirty (30) days commencing at the Lock-up Period Expiry Date ("Period 1"), the B Shares may be converted into A Shares at a rate of one A share for one B Share. If Period 1 falls within a period of restricted trading in the Company's shares, the beginning of Period 1 will be delayed until the expiry of the period of restricted trading in the Company's shares, up to a maximum of ninety (90) days.	**3.** During a period of thirty (30) days commencing at the Lock-up Period Expiry Date ("Period 1"), the B Shares may be converted into A Shares at a rate of one A share for one B Share. If Period 1 falls within a period of restricted trading in the Company's shares, the beginning of Period 1 will be delayed until the expiry of the period of restricted trading in the Company's shares, up to a maximum of ninety (90) days.

Former wording	New wording
4. From the first anniversary of the Lock-up Period Expiry Date, the conversion parity of B Shares for A Shares will be determined based on the difference, in percentage terms, between the Initial Share Price and the Final Share Price (the "Change in the Share Price"). The "Initial Share Price" represents the average opening price of the Company's share during the twenty (20) trading sessions preceding the date of implementation by the Executive Board of each B Share free grant plan. The "Final Share Price" is equal to the average opening price of the Company's share during the twenty (20) trading sessions preceding either: **(i)** the date of publication of the annual or half-year financial statements or quarterly financial information of the Company, in the event of conversion during a period of one year following the first anniversary of the Lock-up Period Expiry Date (inclusive) ("Period 2"); or **(ii)** the second anniversary of the Lock-up Period Expiry Date (the "B Share Expiry Date").	**4.** From the first anniversary of the Lock-up Period Expiry Date, the conversion parity of B Shares for A Shares will be determined based on the difference, in percentage terms, between the Initial Share Price and the Final Share Price (the "Change in the Share Price"). The "Initial Share Price" represents the average opening price of the Company's share during the twenty (20) trading sessions preceding the date of implementation by the Executive Board of each B Share free grant plan. The "Final Share Price" is equal to the average opening price of the Company's share during the twenty (20) trading sessions preceding either: **(i)** the date of publication of the annual or half-year financial statements or quarterly financial information of the Company, in the event of conversion during a period of one year following the first anniversary of the Lock-up Period Expiry Date (inclusive) ("Period 2"); or **(ii)** the second anniversary of the Lock-up Period Expiry Date (the "B Share Expiry Date").
5. During Period 2, the conversion parity of B Shares for A Shares will be equal to: → one (1) A share for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is less than 10% (inclusive); → two (2) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 10% (exclusive) and less than 20% (inclusive); and → three (3) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 20% (exclusive). During Period 2, B shareholders may decide the conversion of B Shares into A Shares within a period of fifteen (15) stock market days following the publication of the annual or half-year financial statements or quarterly financial information of the Company, at the conversion parity notified by the Executive Board to the beneficiary at that date.	**5.** During Period 2, the conversion parity of B Shares for A Shares will be equal to: → one (1) A share for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is less than 10% (inclusive); → two (2) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 10% (exclusive) and less than 20% (inclusive); and → three (3) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 20% (exclusive). During Period 2, B shareholders may decide the conversion of B Shares into A Shares within a period of fifteen (15) stock market days following the publication of the annual or half-year financial statements or quarterly financial information of the Company, at the conversion parity notified by the Executive Board to the beneficiary at that date.
6. B Shares will be automatically converted into A Shares at the B Share Expiry Date. The conversion parity of B Shares into A Shares will be equal to: → one (1) A share for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is less than 20% (inclusive); → two (2) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 20% (exclusive) and less than 30% (inclusive); and → three (3) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 30% (exclusive) and less than 40% (inclusive); and → four (4) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 40% (exclusive). No later than fifteen (15) days before each Shareholders' Meeting, an additional report by the Executive Board and an additional report by the Statutory Auditors on the conversion of B Shares into A Shares will be made available to shareholders.	**6.** B Shares will be automatically converted into A Shares at the B Share Expiry Date. The conversion parity of B Shares into A Shares will be equal to: → one (1) A share for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is less than 20% (inclusive); → two (2) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 20% (exclusive) and less than 30% (inclusive); and → three (3) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 30% (exclusive) and less than 40% (inclusive); and → four (4) A Shares for one (1) B Share if the Change in the Share Price, considered at the date taken into account for the calculation of the Final Share Price, is greater than 40% (exclusive). No later than fifteen (15) days before each Shareholders' Meeting, an additional report by the Executive Board and an additional report by the Statutory Auditors on the conversion of B Shares into A Shares will be made available to shareholders.

Former wording	New wording
Article 10: Payment of shares	
The amount of shares issued during a capital increase and to be paid up in cash is payable under the terms and conditions determined by the Supervisory Board.	The amount of shares issued during a capital increase and to be paid up in cash is payable under the terms and conditions determined by the Supervisory Board.
Subscribers and shareholders are notified of calls for funds at least fifteen (15) days before the date set for each payment by a notice published in a legal gazette of the location of the registered office or by registered letter sent individually to subscribers and shareholders.	Subscribers and shareholders are notified of calls for funds at least fifteen (15) days before the date set for each payment by a notice published in a legal gazette of the location of the registered office or by registered letter sent individually to subscribers and shareholders.
All delays in payment of sums due on the unpaid shares shall automatically, and without the need for any formality whatsoever, lead to the payment of interest calculated at the legal rate plus two (2) points, day after day, as from the due date, without prejudice to any action *in personam* that the Company may bring against the defaulting shareholder and enforcement measures provided by law.	All delays in payment of sums due on the unpaid shares shall automatically, and without the need for any formality whatsoever, lead to the payment of interest calculated at the legal rate plus two (2) points, day after day, as from the due date, without prejudice to any action *in personam* that the Company may bring against the defaulting shareholder and enforcement measures provided by law.
Article 11: Members of the Supervisory Board	
1. The Supervisory Board has a minimum of three (3) and a maximum of eighteen (18) members, subject to the exemption granted by law in the event of a merger. The members of the Supervisory Board are appointed by Ordinary Shareholders' Meeting. When a vacancy arises for one or more Board members, the Board itself may appoint replacements by co-optation, each being appointed for the remaining period of office of his/her predecessor, and subject to ratification of the appointment by the next Shareholders' Meeting. The number of Supervisory Board members aged over seventy (70) may not exceed one-third of the total number of Supervisory Board members at any time. When this proportion is exceeded, the oldest member of the Supervisory Board, with the exception of its Chairman, must resign his/her position at the end of the next Ordinary Shareholders' Meeting.	**1.** The Supervisory Board has a minimum of three (3) and a maximum of eighteen (18) members, subject to the exemption granted by law in the event of a merger. The members of the Supervisory Board are appointed by Ordinary Shareholders' Meeting. When a vacancy arises for one or more Board members, the Board itself may appoint replacements by co-optation, each being appointed for the remaining period of office of his/her predecessor, and subject to ratification of the appointment by the next Shareholders' Meeting. The number of Supervisory Board members aged over seventy (70) may not exceed one-third of the total number of Supervisory Board members at any time. When this proportion is exceeded, the oldest member of the Supervisory Board, with the exception of its Chairman, must resign his/her position at the end of the next Ordinary Shareholders' Meeting.
2. Each Supervisory Board member must hold at least two hundred and fifty (250) Company shares throughout his/her entire term.	**2.** Each Supervisory Board member must hold at least two hundred and fifty (250) Company shares throughout his/her entire term.
3. Members of the Supervisory Board are appointed for a period of four (4) years. They may be re-appointed. The duties of members of the Supervisory Board terminate at the end of the Ordinary Shareholders' Meeting approving the financial statements for the preceding fiscal year that is held during the year in which their term of office expires. However, the duties of current members of the Supervisory Board whose term of office was set at six years shall continue until their term of office expires.	**3.** Members of the Supervisory Board are appointed for a period of four (4) years. They may be re-appointed. The duties of members of the Supervisory Board terminate at the end of the Ordinary Shareholders' Meeting approving the financial statements for the preceding fiscal year that is held during the year in which their term of office expires.
4. The Supervisory Board also includes, pursuant to the provisions of Articles L. 225-79-2 *et seq.* of the French Commercial Code, one or two members representing employees, subject to a regime governed by prevailing law and these Bylaws.	**4.** The Supervisory Board also includes, pursuant to the provisions of Articles L. 225-79-2 et seq. of the French Commercial Code, one or two members representing employees, subject to a regime governed by prevailing law and these Bylaws.

Former wording	New wording
When the number of members of the Supervisory Board appointed by Ordinary Shareholders' Meeting is less than or equal to twelve, one member of the Supervisory Board is appointed to represent employees for a period of four (4) years by the Company's Work Council. When the Supervisory Board has more than twelve members, a second member of the Supervisory Board representing employees must be appointed in accordance with the same procedure. Should the number of members of the Supervisory Board appointed by Ordinary Shareholders' Meeting become equal to or less than twelve, the term of office of the second member of the Supervisory Board representing employees shall continue to its end. The renewal of the terms of office of the members of the Supervisory Board representing employees will be subject to the number of employees remaining above the legal threshold. Members of the Supervisory Board representing employees are not taken into account when determining the minimum or maximum number of members of the Supervisory Board set by Article 11.1 of these Bylaws. By exception to the obligation set out in Article 11.2 of these Bylaws, members representing employees are not required to own Company shares. In addition, they shall receive no attendance fees in respect of their duties.	When the number of members of the Supervisory Board appointed by Ordinary Shareholders' Meeting is less than or equal to twelve, one member of the Supervisory Board is appointed to represent employees for a period of four (4) years by the Company's Work Council. When the Supervisory Board has more than twelve members, a second member of the Supervisory Board representing employees must be appointed in accordance with the same procedure. Should the number of members of the Supervisory Board appointed by Ordinary Shareholders' Meeting become equal to or less than twelve, the term of office of the second member of the Supervisory Board representing employees shall continue to its end. The renewal of the terms of office of the members of the Supervisory Board representing employees will be subject to the number of employees remaining above the legal threshold. Members of the Supervisory Board representing employees are not taken into account when determining the minimum or maximum number of members of the Supervisory Board set by Article 11.1 of these Bylaws. By exception to the obligation set out in Article 11.2 of these Bylaws, members representing employees are not required to own Company shares. In addition, they shall receive no attendance fees in respect of their duties.
Article 12: Chair of the Supervisory Board	
1. The Supervisory Board elects a Chairman and Vice-Chairman for the full period of their appointment. Both functions must be filled by natural persons. The Supervisory Board sets their compensation, whether fixed or variable. The Chairman is responsible for calling Board meetings at least four times a year, and for chairing the proceedings. **2.** The Vice-Chairman has the same responsibilities and prerogatives as the Chairman when the Chairman is unable to attend or has delegated his/her duties temporarily. **3.** The Supervisory Board may appoint a secretary, either from among its own members or from outside the Board.	**1.** The Supervisory Board elects a Chairman and one or more Vice-Chairman for the full period of their appointment. Both functions must be filled by natural persons. The Supervisory Board sets their compensation, whether fixed or variable. The Chairman is responsible for calling Board meetings at least four times a year, and for chairing the proceedings. **2.** The Vice-Chairman and Vice-Chairmen have the same responsibilities and prerogatives as the Chairman when the Chairman is unable to attend or has delegated his/her duties temporarily. **3.** The Supervisory Board may appoint a secretary, either from among its own members or from outside the Board.
Article 13: Proceedings of the Supervisory Board	
1. Supervisory Board members may be notified of Board meetings by any form of communication, including orally. Supervisory Board meetings are held at the registered office or in any other place specified in the notice of meeting. Meetings are chaired by the Supervisory Board Chairman or, in the absence of the latter, by a Vice-Chairman.	**1.** Supervisory Board members may be notified of Board meetings by any form of communication, including orally. Supervisory Board meetings are held at the registered office or in any other place specified in the notice of meeting. Meetings are chaired by the Supervisory Board Chairman or, in the absence of the latter, by a Vice-Chairman.

Former wording	New wording
2. Meetings are held and proceedings conducted subject to the legal provisions governing quorum and majority rules. Where voting is tied, the meeting Chairman will have the casting vote.	**2.** Meetings are held and proceedings conducted subject to the legal provisions governing quorum and majority rules. Where voting is tied, the meeting Chairman will have the casting vote.
3. The Supervisory Board drafts Internal Rules, which may provide that, except in cases of resolutions relating to the appointment or replacement of its Chairman and Vice-Chairmen, and those relating to the appointment or dismissal of Executive Board members, for the purposes of quorum and majority rules, Supervisory Board members may participate in Board meetings through video conferencing or another form of telecommunications, as provided by applicable law and regulations.	**3.** The Supervisory Board drafts Internal Rules, which may provide that, except in cases of resolutions relating to the appointment or replacement of its Chairman and Vice-Chairmen, and those relating to the appointment or dismissal of Executive Board members, for the purposes of quorum and majority rules, Supervisory Board members may participate in Board meetings through video conferencing or another form of telecommunications, as provided by applicable law and regulations.
4. Minutes are recorded of Supervisory Board meetings and copies or extracts thereof are certified and distributed in accordance with the law.	**4.** Minutes are recorded of Supervisory Board meetings and copies or extracts thereof are certified and distributed in accordance with the law.
Article 14: Powers of the Supervisory Board	
1. The Supervisory Board permanently oversees the management of the Company by its Executive Board. At any time during the year, it conducts any verifications and reviews that it deems necessary and may ask the Executive Board to communicate any documents that it considers necessary for the performance of its duties. The Executive Board submits a report to the Supervisory Board at least once every quarter on the Company's main management acts and decisions, including all information that the Board may require to be kept informed of the Company's business, along with the quarterly and half-yearly financial statements. The Executive Board also submits budgets and investment plans twice a year. Within the prescribed regulatory time limit following the end of each fiscal year, the Executive Board submits the separate annual financial statements, consolidated financial statements and its report to the Shareholders' Meeting to the Supervisory Board for check and control. The Supervisory Board reports its observations on the Executive Board's report and the annual Company and consolidated financial statements to the Shareholders' Meeting. This supervision may, under no circumstances, lead to the performance of management acts, directly or indirectly, by the Supervisory Board or its members.	**1.** The Supervisory Board permanently oversees the management of the Company by its Executive Board. At any time during the year, it conducts any verifications and reviews that it deems necessary and may ask the Executive Board to communicate any documents that it considers necessary for the performance of its duties. The Executive Board submits a report to the Supervisory Board at least once every quarter on the Company's main management acts and decisions, including all information that the Board may require to be kept informed of the Company's business, along with the quarterly and half-yearly financial statements. The Executive Board also submits budgets and investment plans twice a year. Within the prescribed regulatory time limit following the end of each fiscal year, the Executive Board submits the separate annual financial statements, consolidated financial statements and its report to the Shareholders' Meeting to the Supervisory Board for check and control. The Supervisory Board reports its observations on the Executive Board's report and the annual Company and consolidated financial statements to the Shareholders' Meeting. This supervision may, under no circumstances, lead to the performance of management acts, directly or indirectly, by the Supervisory Board or its members.
2. The Supervisory Board appoints and may dismiss the members of the Executive Board, in accordance with the law and pursuant to Article 17 of these Bylaws.	**2.** The Supervisory Board appoints and may dismiss the members of the Executive Board, in accordance with the law and pursuant to Article 17 of these Bylaws.
3. The Supervisory Board prepares the draft resolution proposing the appointment of the Statutory Auditors to the Shareholders' Meeting, in accordance with the law.	**3.** The Supervisory Board prepares the draft resolution proposing the appointment of the Statutory Auditors to the Shareholders' Meeting, in accordance with the law.
4. The following transactions are subject to the prior approval of the Supervisory Board: **a)** pursuant to applicable law and regulations: • the disposal of real estate, • the partial or full disposal of investments, • the creation of security interests, as well as the granting of sureties, endorsements and guarantees;	**4.** The following transactions are subject to the prior approval of the Supervisory Board: **a)** pursuant to applicable law and regulations: • the disposal of real estate, • the partial or full disposal of investments, • the creation of security interests, as well as the granting of sureties, endorsements and guarantees;

Former wording	New wording
b) pursuant to these Bylaws: • any proposal to the Shareholders' Meeting to amend the Bylaws, • any transaction that could result, immediately or in the future, in a share capital increase or decrease through the issue or cancelation of shares and/or securities, • the creation of stock option plans and the granting of Company share subscription or purchase options, • any proposal to the Shareholders' Meeting regarding share buyback programs, • any proposal to the Shareholders' Meeting regarding the appropriation of earnings and the distribution of dividends or interim dividends, • the appointment of one or more Company representatives to the Boards of any French or foreign companies in which the Company holds an investment with a value of two hundred million euros (€200 million) or more, • the acquisition of a new or additional investment in any entity or company, any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by the Company of more than two hundred million euros (€200 million), • agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds two hundred million euros (€200 million). The following items are taken into consideration for the purpose of the above limit of two hundred million euros (€200 million): → the value of any investment by the Company, as reported in its separate accounts, either in the form of equity or equity equivalents or in the form of shareholder loans or similar arrangements, → debts and assimilated liabilities for which the Company has provided an express guarantee or agreed to stand surety. Other liabilities contracted by the subsidiary or holding entity concerned, or by a special-purpose acquisition entity, for which the Company has not expressly agreed to give a guarantee or stand surety, are not taken into account to determine whether or not the limit has been exceeded;	**b)** pursuant to these Bylaws: • any proposal to the Shareholders' Meeting to amend the Bylaws, • any transaction that could result, immediately or in the future, in a share capital increase or decrease through the issue or cancelation of shares and/or securities, • the creation of stock option plans and the granting of Company share subscription or purchase options, • any proposal to the Shareholders' Meeting regarding share buyback programs, • any proposal to the Shareholders' Meeting regarding the appropriation of earnings and the distribution of dividends or interim dividends, • the appointment of one or more Company representatives to the Boards of any French or foreign companies in which the Company holds an investment with a value of two hundred million euros (€200 million) or more, • the acquisition of a new or additional investment in any entity or company, any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by the Company of more than two hundred million euros (€200 million), • agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds two hundred million euros (€200 million). The following items are taken into consideration for the purpose of the above limit of two hundred million euros (€200 million): → the value of any investment by the Company, as reported in its separate accounts, either in the form of equity or equity equivalents or in the form of shareholder loans or similar arrangements, → debts and assimilated liabilities for which the Company has provided an express guarantee or agreed to stand surety. Other liabilities contracted by the subsidiary or holding entity concerned, or by a special-purpose acquisition entity, for which the Company has not expressly agreed to give a guarantee or stand surety, are not taken into account to determine whether or not the limit has been exceeded;
c) all agreements and commitments governed by Article L. 225-86 of the French Commercial Code.	**c)** all agreements and commitments governed by Article L. 225-86 of the French Commercial Code.
5. Within the limit of the amounts that it will determine, under the terms and conditions and for the duration that it defines, the Supervisory Board may authorize the Executive Board in advance to carry out one or more of the transactions mentioned in a) and b) of paragraph 4 above.	**5.** Within the limit of the amounts that it will determine, under the terms and conditions and for the duration that it defines, the Supervisory Board may authorize the Executive Board in advance to carry out one or more of the transactions mentioned in a) and b) of paragraph 4 above.
6. The Supervisory Board may decide to set up committees from among its members to review questions that it or its Chairman submit for their opinion. It defines the membership and tasks of these committees which will act under the Board's responsibility.	**6.** The Supervisory Board may decide to set up committees from among its members to review questions that it or its Chairman submit for their opinion. It defines the membership and tasks of these committees which will act under the Board's responsibility.

Former wording	New wording
Article 15: Compensation of Supervisory Board members	
The Supervisory Board may be granted attendance fees by the Shareholders' Meeting. The Supervisory Board may then distribute such fees freely among its members. The Supervisory Board may also grant exceptional compensation to certain of its members as provided by law.	The Supervisory Board may be granted attendance fees by the Shareholders' Meeting. The Supervisory Board may then distribute such fees freely among its members. The Supervisory Board may also grant exceptional compensation to certain of its members as provided by law.
Article 16: Non-voting member	
1. The Shareholders' Meeting may appoint non-voting members to assist the Supervisory Board. Non-voting members may or may not be selected from among shareholders; there may be no more than four non-voting members, and they are appointed for a maximum of four years. The Supervisory Board decides their roles and responsibilities and sets their compensation. **2.** The maximum age limit for non-voting members of the Board is eighty (80) years. Non-voting members who reach this age shall be deemed to have resigned. **3.** Non-voting members are invited to all Supervisory Board meetings and may contribute to its proceedings in an advisory role only. They may not act on behalf of Supervisory Board members and may only advise.	**1.** The Shareholders' Meeting may appoint non-voting members to assist the Supervisory Board. Non-voting members may or may not be selected from among shareholders; there may be no more than four non-voting members, and they are appointed for a maximum of four years. The Supervisory Board decides their roles and responsibilities and sets their compensation. **2.** The maximum age limit for non-voting members of the Board is eighty (80) years. Non-voting members who reach this age shall be deemed to have resigned. **3.** Non-voting members are invited to all Supervisory Board meetings and may contribute to its proceedings in an advisory role only. They may not act on behalf of Supervisory Board members and may only advise.
Article 17: Members of the Executive Board	
1. The Company is managed by an Executive Board comprised of three to seven members appointed by the Supervisory Board. It performs its duties under the supervision of the Supervisory Board, in accordance with the law and the Company's Bylaws. **2.** The members of the Executive Board need not be chosen from among the shareholders. They must be natural persons. They may be reappointed indefinitely. No member of the Supervisory Board may be a member of the Executive Board. The age limit for acting as a member of the Executive Board is set at sixty-eight (68) years of age. Any member of the Executive Board who reaches this age shall be deemed to have resigned. Members of the Executive Board may have an employment contract with the Company that shall remain in effect throughout their entire term of office and thereinafter. **3.** The Executive Board is appointed for a term of four (4) years. In the event that a seat falls vacant, the Supervisory Board shall appoint, in accordance with the law, a successor for the predecessor's remaining term. **4.** Members of the Executive Board may be dismissed, either by the Supervisory Board, or by Shareholders' Meeting upon the recommendation of the Supervisory Board. If the dismissal is without good cause, the member may be entitled to damages. Dismissal of a member of the Executive Board does not result in termination of his/her employment contract.	**1.** The Company is managed by an Executive Board comprised of three to seven members appointed by the Supervisory Board. It performs its duties under the supervision of the Supervisory Board, in accordance with the law and the Company's Bylaws. **2.** The members of the Executive Board need not be chosen from among the shareholders. They must be natural persons. They may be reappointed indefinitely. No member of the Supervisory Board may be a member of the Executive Board. The age limit for acting as a member of the Executive Board is set at sixty-eight (68) years of age. Any member of the Executive Board who reaches this age shall be deemed to have resigned. Members of the Executive Board may have an employment contract with the Company that shall remain in effect throughout their entire term of office and thereinafter. **3.** The Executive Board is appointed for a term of four (4) years. In the event that a seat falls vacant, the Supervisory Board shall appoint, in accordance with the law, a successor for the predecessor's remaining term. **4.** Members of the Executive Board may be dismissed, either by the Supervisory Board, or by Shareholders' Meeting upon the recommendation of the Supervisory Board. If the dismissal is without good cause, the member may be entitled to damages. Dismissal of a member of the Executive Board does not result in termination of his/her employment contract.

Former wording	New wording
Article 18: Chair of the Executive Board - General Management	
1. The Supervisory Board appoints one of the members of the Executive Board as its Chairman. He or she fulfills the duties of Chairman for the full term of their appointment as an Executive Board member. He or she represents the Company in its dealings with third parties.	**1.** The Supervisory Board appoints one of the members of the Executive Board as its Chairman. He or she fulfills the duties of Chairman for the full term of their appointment as an Executive Board member. He or she represents the Company in its dealings with third parties.
2. The Supervisory Board may confer the same powers of representation on one or more Executive Board members, who then assume the title of Deputy Chief Executive Officer.	**2.** The Supervisory Board may confer the same powers of representation on one or more Executive Board members, who then assume the title of Deputy Chief Executive Officer.
3. The duties of Chairman and, where applicable, Deputy Chief Executive Officer, allocated to Executive Board members may be withdrawn at any time by the Supervisory Board.	**3.** The duties of Chairman and, where applicable, Deputy Chief Executive Officer, allocated to Executive Board members may be withdrawn at any time by the Supervisory Board.
4. The Chairman and Deputy Chief Executive Officer(s) validly carry out all acts that bind the Company with respect to third parties.	**4.** The Chairman and Deputy Chief Executive Officer(s) validly carry out all acts that bind the Company with respect to third parties.
Article 19: Proceedings of the Executive Board	
1. The Executive Board meets as often as required in the best interests of the Company, after a meeting has been called by the Chairman or at least half of its members. Meetings are held at the registered office or in any other place specified in the notice of meeting. Items may be added to the agenda at the meeting. Meetings may be notified by any form of communication, including orally.	**1.** The Executive Board meets as often as required in the best interests of the Company, after a meeting has been called by the Chairman or at least half of its members. Meetings are held at the registered office or in any other place specified in the notice of meeting. Items may be added to the agenda at the meeting. Meetings may be notified by any form of communication, including orally.
2. Meetings are chaired by the Chairman of the Executive Board or, in his/her absence, by the Deputy Chief Executive Officer designated by the Chairman.	**2.** Meetings are chaired by the Chairman of the Executive Board or, in his/her absence, by the Deputy Chief Executive Officer designated by the Chairman.
3. Executive Board proceedings are valid only when at least half of its members are present. Decisions are adopted by the majority of votes cast by those members present or represented. Where voting is tied, the Chairman has the casting vote. Members of the Executive Board may take part in Board meetings by means of videoconference or telecommunications, as permitted by current regulations applicable to meetings of the Supervisory Board. The members shall be considered present for the purpose of calculating quorum and majority.	**3.** Executive Board proceedings are valid only when at least half of its members are present. Decisions are adopted by the majority of votes cast by those members present or represented. Where voting is tied, the Chairman has the casting vote. Members of the Executive Board may take part in Board meetings by means of videoconference or telecommunications, as permitted by current regulations applicable to meetings of the Supervisory Board. The members shall be considered present for the purpose of calculating quorum and majority.
4. The proceedings are recorded in the form of minutes, which are held in a special register and signed by those Executive Board members attending the meeting.	**4.** The proceedings are recorded in the form of minutes, which are held in a special register and signed by those Executive Board members attending the meeting.
5. The Executive Board sets its own internal rules and notifies the Supervisory Board thereof.	**5.** The Executive Board sets its own internal rules and notifies the Supervisory Board thereof.
Article 20: Powers and obligations of the Executive Board	
1. The Executive Board is vested with the most extensive powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly attributed by law and the Company's Bylaws to Shareholders' Meetings and the Supervisory Board. No restriction on its powers will be enforceable against third parties, who may launch legal proceedings against the Company, with respect to the performance of the commitments made in its name by the Chairman of the Executive Board or a Deputy Chief Executive Officer, once their appointments have been regularly published.	**1.** The Executive Board is vested with the most extensive powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly attributed by law and the Company's Bylaws to Shareholders' Meetings and the Supervisory Board. No restriction on its powers will be enforceable against third parties, who may launch legal proceedings against the Company, with respect to the performance of the commitments made in its name by the Chairman of the Executive Board or a Deputy Chief Executive Officer, once their appointments have been regularly published.

Former wording	New wording
2. Members of the Executive Board may, with the authorization of the Supervisory Board, divide management tasks among themselves. However, this division of tasks may, under no circumstances, exempt the Executive Board from meeting and deliberating on the most important issues concerning the Company's management, or be invoked as a reason for exemption from the joint and several liability of the Executive Board and each of its members.	**2.** Members of the Executive Board may, with the authorization of the Supervisory Board, divide management tasks among themselves. However, this division of tasks may, under no circumstances, exempt the Executive Board from meeting and deliberating on the most important issues concerning the Company's management, or be invoked as a reason for exemption from the joint and several liability of the Executive Board and each of its members.
3. The Executive Board may vest one or more of its members or any person chosen from outside the Board, with special, permanent or temporary duties that it will determine, and delegate to them for one or more specified purposes, with or without the possibility of sub-delegation, any powers that it deems necessary.	**3.** The Executive Board may vest one or more of its members or any person chosen from outside the Board, with special, permanent or temporary duties that it will determine, and delegate to them for one or more specified purposes, with or without the possibility of sub-delegation, any powers that it deems necessary.
4. The Executive Board prepares and presents to the Supervisory Board, reports, budgets and quarterly, half-year and annual financial statements, in accordance with the law and pursuant to paragraph 1 of Article 14 above. The Executive Board calls all Shareholders' Meetings, defines their agenda and implements their decisions.	**4.** The Executive Board prepares and presents to the Supervisory Board, reports, budgets and quarterly, half-year and annual financial statements, in accordance with the law and pursuant to paragraph 1 of Article 14 above. The Executive Board calls all Shareholders' Meetings, defines their agenda and implements their decisions.
5. Members of the Executive Board may be held liable, towards the Company or third parties, collectively and severally, as the case may be, for breaches of laws governing French limited liability companies (*sociétés anonymes*), breaches of these Bylaws, or management faults, under the conditions and governing sanctions provided by applicable laws.	**5.** Members of the Executive Board may be held liable, towards the Company or third parties, collectively and severally, as the case may be, for breaches of legal and regulatory provisions governing European companies, breaches of these Bylaws, or management faults, under the conditions and governing sanctions provided by prevailing French and European laws.
Article 21: Compensation of Executive Board members	
The Supervisory Board sets the method and amount of compensation paid to each Executive Board member, and sets the number and conditions of any share subscription or purchase options they may be granted.	The Supervisory Board sets the method and amount of compensation paid to each Executive Board member, and sets the number and conditions of any share subscription or purchase options they may be granted.
Article 22: Statutory Auditors	
The Statutory Auditors are appointed and carry out their duties in accordance with the law.	The Statutory Auditors are appointed and carry out their duties in accordance with the law.
Article 23: Shareholders' Meetings	
1. Shareholders' Meetings are called and vote in accordance with the law.	**1.** Shareholders' Meetings are called and vote in accordance with the provisions of prevailing European regulations and French law applicable to European companies.
2. Each A Share and each B Share entitles its holder to one vote. However, fully paid-up A Shares deposited in registered accounts in the name of the same shareholder for two (2) years or more, are entitled to double the voting rights of other A Shares.	**2.** Each A Share and each B Share entitles its holder to one vote. However, fully paid-up A Shares deposited in registered accounts in the name of the same shareholder for two (2) years or more, are entitled to double the voting rights of other A Shares.

Former wording	New wording
Furthermore, in the event of a share capital increase through capitalization of reserves, profits or share premiums, bonus A Shares granted to shareholders in proportion to existing A Shares held qualifying for double voting rights shall also confer double voting rights.	Furthermore, in the event of a share capital increase through capitalization of reserves, profits or share premiums, bonus A Shares granted to shareholders in proportion to existing A Shares held qualifying for double voting rights shall also confer double voting rights.
A Shares converted into bearer shares or which change hands lose their extra voting rights. However, the foregoing provision is not applicable to shares transferred by virtue of inheritance, the liquidation of community property or *inter vivos* gifts to a spouse or relative entitled to inherit, nor shall such transfers interrupt the two-year period specified in the preceding paragraph.	A Shares converted into bearer shares or which change hands lose their extra voting rights. However, the foregoing provision is not applicable to shares transferred by virtue of inheritance, the liquidation of community property or *inter vivos* gifts to a spouse or relative entitled to inherit, nor shall such transfers interrupt the two-year period specified in the preceding paragraph.
The beneficial owners of shares shall exercise the voting rights attached to them at Ordinary Shareholders' Meetings, and their legal owners shall exercise these voting rights at Extraordinary Shareholders' Meetings. The shareholders may, however, agree to allocate voting rights in a different manner at Shareholders' Meetings. If they do so, they shall inform the Company thereof by registered letter to its registered office and the Company shall comply with such agreements at all Shareholders' Meetings held one month or more after the postmarked date of this registered letter.	The beneficial owners of shares shall exercise the voting rights attached to them at Ordinary Shareholders' Meetings, and their legal owners shall exercise these voting rights at Extraordinary Shareholders' Meetings. The shareholders may, however, agree to allocate voting rights in a different manner at Shareholders' Meetings. If they do so, they shall inform the Company thereof by registered letter to its registered office and the Company shall comply with such agreements at all Shareholders' Meetings held one month or more after the postmarked date of this registered letter.
3. Meetings are held either at the Company's registered office or at any other venue indicated in the notice of meeting.	**3.** Meetings are held either at the Company's registered office or at any other venue indicated in the notice of meeting.
Evidence of the right to participate at the Company's Shareholders' Meetings shall consist in the accounting registration of the shares in the name of the shareholder or financial broker acting on his/her behalf (as provided for by law) no later than 0:00 AM (Paris time) two business days prior to the meeting:	Evidence of the right to participate at the Company's Shareholders' Meetings shall consist in the accounting registration of the shares in the name of the shareholder or financial broker acting on his/her behalf (as provided for by law) no later than 0:00 AM (Paris time) two business days prior to the meeting:
→ in the case of registered shareholders: in the registered share books of the Company;	→ in the case of registered shareholders: in the registered share books of the Company;
→ in the case of holders of bearer shares: in the bearer share books kept by the authorized broker, as provided for by applicable regulations.	→ in the case of holders of bearer shares: in the bearer share books kept by the authorized broker, as provided for by applicable regulations.
Shareholders may attend meetings in person or be represented by a proxy. They may also participate by sending a vote by mail as provided for by applicable laws and regulations. In order to be counted, mail ballots must be received by the Company no later than three (3) business days before the date of the meeting.	Shareholders may attend meetings in person or be represented by a proxy. They may also participate by sending a vote by mail as provided for by applicable laws and regulations. In order to be counted, mail ballots must be received by the Company no later than three (3) business days before the date of the meeting.
The Executive Board may authorize the sending to the Company of proxy and mail voting forms by telecommunications means (including electronic means) in accordance with applicable law and regulations.	The Executive Board may authorize the sending to the Company of proxy and mail voting forms by telecommunications means (including electronic means) in accordance with applicable law and regulations.
When such telecommunications means are used, the electronic signature may take the form of a process complying with the criteria set out in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code.	When such telecommunications means are used, the electronic signature may take the form of a process complying with the criteria set out in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code.
If the Executive Board decides to use such telecommunications means, as set out in the meeting notice or convening notice, shareholders who participate in Shareholders' Meetings *via* videoconferencing or telecommunications means that allow them to be identified as set forth by applicable law are deemed to be present for the calculation of quorum and majority.	If the Executive Board decides to use such telecommunications means, as set out in the meeting notice or convening notice, shareholders who participate in Shareholders' Meetings *via* videoconferencing or telecommunications means that allow them to be identified as set forth by applicable law are deemed to be present for the calculation of quorum and majority.
4. Shareholders' Meetings are chaired by the Chairman of the Supervisory Board or, in his/her absence, the Vice-Chairman. In the absence of both individuals, the meeting elects its own Chairman.	**4.** Shareholders' Meetings are chaired by the Chairman of the Supervisory Board or, in his/her absence, the Vice-Chairman. In the absence of both individuals, the meeting elects its own Chairman.
5. Minutes are recorded of Shareholders' Meetings and copies thereof are certified and distributed in accordance with the law.	**5.** Minutes are recorded of Shareholders' Meetings and copies thereof are certified and distributed in accordance with the law.

Former wording	New wording
Article 24: Special Meetings	
1. B Shareholders are consulted under the conditions set out in Article 23 of the Bylaws (applicable *mutatis mutandis* to Special Meetings of B Shareholders) on issues falling specifically under their authority pursuant to the law.	**1.** B Shareholders are consulted under the conditions set out in Article 23 of the Bylaws (applicable *mutatis mutandis* to Special Meetings of B Shareholders) on issues falling specifically under their authority pursuant to the law.
2. Only B Shareholders holding their shares in registered form may attend these Special Meetings and vote.	**2.** Only B Shareholders holding their shares in registered form may attend these Special Meetings and vote.
3. Special Meetings of B Shareholders exercise their powers under the conditions set-out in prevailing regulations.	**3.** Special Meetings of B Shareholders exercise their powers under the conditions set-out in prevailing regulations.
4. Decisions of the Company made by a Shareholders' Meeting amending the rights conferred by B Shares are only definitive after approval by a Special Meeting of B Shareholders.	**4.** Decisions of the Company made by a Shareholders' Meeting amending the rights conferred by B Shares are only definitive after approval by a Special Meeting of B Shareholders.
Article 25: Company financial statements	
The fiscal period commences January first (1^{st}) and ends December thirty-first (31^{st}) of each year.	The fiscal period commences January first (1^{st}) and ends December thirty-first (31^{st}) of each year.
Provided that there is sufficient income left after deducting the sums required to fund or supplement the legal reserve, the Shareholders' Meeting may, upon the recommendation of the Executive Board, allocate any portion of earnings it deems appropriate, either to retained earnings or to one or more general or special reserve accounts, or for distribution to shareholders.	Provided that there is sufficient income left after deducting the sums required to fund or supplement the legal reserve, the Shareholders' Meeting may, upon the recommendation of the Executive Board, allocate any portion of earnings it deems appropriate, either to retained earnings or to one or more general or special reserve accounts, or for distribution to shareholders.
The Shareholders' Meeting called to approve the financial statements for the year has the authority to grant all shareholders the option to receive some or all of the dividend or interim dividend distributed in either cash or shares, in accordance with the laws and regulations applicable as of the date of the decision.	The Shareholders' Meeting called to approve the financial statements for the year has the authority to grant all shareholders the option to receive some or all of the dividend or interim dividend distributed in either cash or shares, in accordance with the laws and regulations applicable as of the date of the decision.
The Ordinary Shareholders' Meeting may decide the distribution of profits or reserves through the allotment of marketable securities presented in the Company's assets.	The Ordinary Shareholders' Meeting may decide the distribution of profits or reserves through the allotment of marketable securities presented in the Company's assets.
	Article 26: Regulated agreements
	Pursuant to Article L. 229-7 paragraph 6 of the French Commercial Code, the provisions of Articles L. 225-86 to L. 225-90-1 of the French Commercial Code are applicable to agreements entered into by the Company.
Article 26: Regulated agreements	**Article 27: Dissolution and liquidation**
In the event of dissolution of the Company, the Shareholders' Meeting appoints one or more liquidators in accordance with the conditions of quorum and majority laid down for Ordinary Shareholders' Meetings.	In the event of dissolution of the Company, the Shareholders' Meeting appoints one or more liquidators in accordance with the conditions of quorum and majority laid down for Ordinary Shareholders' Meetings.
The liquidator represents the Company. He is vested with the most extensive powers to liquidate the assets, by amicable settlement. He is qualified to pay creditors and distribute the available balance.	The liquidator represents the Company. He is vested with the most extensive powers to liquidate the assets, by amicable settlement. He is qualified to pay creditors and distribute the available balance.
The Shareholders' Meeting may authorize the liquidator to continue outstanding business or initiate new business for the needs of the liquidation.	The Shareholders' Meeting may authorize the liquidator to continue outstanding business or initiate new business for the needs of the liquidation.
Article 27: Dissolution and liquidation	**Article 28: Disputes**
Any disputes that may arise during the term of the Company or during its liquidation, either between the Company and shareholders, or among shareholders relating to corporate matters shall be subject to the jurisdiction of the competent courts of the registered office.	Any disputes that may arise during the term of the Company or during its liquidation, either between the Company and shareholders, or among shareholders relating to corporate matters shall be subject to the jurisdiction of the competent courts of the registered office.

7.5 OBSERVATIONS OF THE SUPERVISORY BOARD ON THE EXECUTIVE BOARD'S REPORT

With respect to Article L. 225-68 of the French Commercial Code, the Supervisory Board has no comments on the Executive Board's report or the financial statements for the year ended December 31, 2016, and recommends that the Shareholders' Meeting adopts all the resolutions proposed by the Executive Board.

7.6 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of Eurazeo SA, we hereby report to you on regulated agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of, as well as the reasons provided for, the agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of Article R. 225-58 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-58 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS AND COMMITMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements and commitments authorized during the year

In accordance with Article L. 225-88 of the French Commercial Code, we were informed of the following agreements and commitments previously authorized by the Supervisory Board.

Agreements with shareholders

None.

Agreements with companies with executives in common

Approval of the sale to ANF Immobilier of ANF Immobilier Hotels shares held (Supervisory Board meeting of December 8, 2016).

Persons concerned:

Patrick Sayer (Chairman of the Eurazeo Executive Board and member of the Supervisory Board of ANF Immobilier) and Philippe Audouin (member of the Eurazeo Executive Board and member of the Supervisory Board of ANF Immobilier).

Nature and terms:

At its meeting of December 8, 2016, the Supervisory Board authorized the Company to sell 26 of the 34 ANF Immobilier Hotels shares held to ANF Immobilier. The remaining 8 ANF Immobilier Hotels shares held by Eurazeo were sold to CEPAC Foncière. A purchase agreement covering the shares and current account receivables was signed on December 9, 2016, subject to the completion of the condition precedent stipulating the prior authorization of the transaction by the lending banks. A reiterative agreement was signed on January 5, 2017, noting the transfer of ownership and enjoyment of the shares and receivables with effect from January 1, 2017 and payment of the consideration. The current accounts were transferred at their nominal amount and the shares were sold at the value recorded in the NAV as of June 30, 2016, for a total amount of two million, six hundred and thirty-nine thousand, three hundred and forty-five (2,639,345) euros.

Reason:

This decision follows ANF Immobilier's goal to simply the structure of this company. Based on the funds invested by Eurazeo in June 2014 on its investment in ANF Immobilier Hotels, this transaction represents an investment IRR of 10.7% and a multiple of 10.2x.

Amendment to the investment protocol between Carryco Capital 1 and Eurazeo dated November 14, 2014 (Supervisory Board meeting of December 8, 2016).

Persons concerned:

Patrick Sayer (Chairman of the Eurazeo Executive Board and Chairman of Carryco Capital 1), Virginie Morgon (Deputy CEO of Eurazeo and shareholder of Carryco Capital 1) and Philippe Audouin (member of the Eurazeo Executive Board and shareholder of Carryco Capital 1).

Nature and terms:

The Supervisory Board authorized an amendment to the investment protocol signed on November 14, 2014 between Eurazeo, Carryco Capital 1 and the members of the Eurazeo teams benefiting from the co-investment mechanism. This amendment authorizes Carryco Capital 1 to reuse a portion of invested amounts corresponding to the portion of investments performed since December 2015 sold to Eurazeo Capital II, that is, the transactions where the sale to Eurazeo Capital II is financially neutral for Eurazeo.

Reason:

Pursuant to the syndication to Eurazeo Capital II of a portion of the investments already performed by Eurazeo, Carryco Capital 1, the company grouping together the members of the Eurazeo teams benefiting from the co-investment mechanism, sold a portion of its investments in companies comprising the 2014-2017 investment portfolio to Eurazeo Capital II. This syndication reduces the amounts payable by the teams under the relevant co-investment program, with the teams responsible for investing equivalent amounts directly in Eurazeo Capital II. In so far as a portion of the relevant amounts has already been invested by the teams through Carryco Capital 1 and the distribution of these amounts cannot be considered before Eurazeo has recovered its entire investment, the Supervisory Board authorized a change to the investment protocol enabling the reuse by Carryco Capital 1 of amounts resulting from these disposals in future investments to be performed.

Other agreements and commitments with executives

Amendment to the employment contract of a member of the Executive Board (Supervisory Board meeting of July 27, 2016).

Person concerned:

Virginie Morgon, Deputy CEO.

Nature and terms:

At its meeting of July 27, 2016, the Supervisory Board authorized the signature of an amendment to Virginie Morgon's employment contract dated December 13, 2007, in order to adapt is application during her secondment to Eurazeo North America. The amendment dated August 23, 2016, provides for a two-year partial and temporary secondment commencing September 1, 2016. Under the terms of this agreement, compensation payable to Virginie Morgon in respect of activities in the United States as President of Eurazeo North America will be supplemented by a relocation allowance up to a total annual cap of €1 million, borne by Eurazeo North America, or standard coverage of 67.5% of additional costs incurred by her as a result of her relocation to the United States. As of December 31, 2016, this allowance totaled US$738,561, compared with a cap of €1,458,333 for the period from the opening of the office to December 31, 2017, adjusted for the advance payment of certain installation costs.

Reason:

To ensure the business launch of Eurazeo North America, the New York-based subsidiary of the Eurazeo group, it was decided to entrust its management to Virginie Morgon, given her expertise, experience and knowledge. The relocation allowance provided in this amendment includes in particular, compensation for the difference in the cost of living, costs associated with the secondment (relocation, accommodation, schooling, etc.) and a portion of the additional tax cost, taking account of the difference between the amount of mandatory deductions (social security contributions and income tax) that will be payable by Virginie Morgon in the United States compared with that which would have been payable in France and the additional tax payable on secondment costs reimbursed by Eurazeo North America.

Share transfers to members of the Executive Board (Supervisory Board meeting of September 21, 2016).

Persons concerned:

Patrick Sayer, Virginie Morgon and Philippe Audouin (members of the Executive Board).

Nature and terms:

Pursuant to the creation of the Eurazeo Capital II fund open to third-party investors, to invest alongside Eurazeo in the 2014-2017 portfolio of investments already performed or to be performed by Eurazeo Capital, Eurazeo Capital II General Partner, wholly-owned by Eurazeo, subscribed on the creation of the fund, for technical reasons, for a certain number of Eurazeo Capital II A and C shares, with the aim of rapidly selling them on to the Eurazeo teams, including corporate officers. The transfer of the Eurazeo Capital II General Partner A and C shares to three members of the Executive Board gave rise to the payment of €112,186 by Augusta SAS (company owned by Patrick Sayer) on February 14, 2017, €89,839 by Virginie Morgon on January 31, 2017 and €39,276 by Philippe Audouin on January 30, 2017.

Reason:

Pursuant to the syndication to Eurazeo Capital II of a portion of the investments already performed by Eurazeo, Carryco Capital 1, the company grouping together the members of the Eurazeo teams benefiting from the co-investment mechanism, sold a portion of its investments in companies comprising the 2014-2017 investment portfolio to Eurazeo Capital II. In order to maintain the investments of the teams at the same level, it was agreed that the members of the Eurazeo teams would subscribe directly for carried shares (C shares) in the fund. In response to a request from investors investing in the fund, it was also provided that the members of the Eurazeo teams would invest pari passu with investors by subscribing for A shares in the fund, in order to align the interests of investment team members with those of third-party investors. On the creation of the fund on December 22, 2016, the fund manager, Eurazeo Capital II General Partner, subscribed on a temporary basis for A and C shares with the intention of transferring them rapidly to members of the Eurazeo teams.

Fixed compensation of a member of the Executive Board holding an employment contract with the Company (Supervisory Board meeting of December 8, 2016).

Person concerned:

Virginie Morgon, Deputy CEO.

Nature and terms:

At its meeting of December 8, 2016, the Supervisory Board authorized an increase in the fixed compensation of Virginie Morgon, Deputy CEO, who holds an employment contract with the Company, from January 1, 2017.

Virginie Morgon's gross annual fixed compensation for 2017 will therefore amount to €800,000.

Reason:

Given that (i) Virginie Morgon's fixed compensation has not changed in the last three years and (ii) comparative data in the private equity sector, including for listed investment companies, shows a significant difference compared with compensation levels observed in Eurazeo, an increase in Virginie Morgon's fixed compensation was recommended by the Compensation and Appointment Committee and decided by the Supervisory Board on December 8, 2016.

Implementation of a co-investment mechanism covering 2009-2011 investments authorized by the Supervisory Board meetings of December 9, 2008 and June 25, 2009 (Supervisory Board meeting of December 8, 2016).

Persons concerned:

Patrick Sayer, Virginie Morgon and Philippe Audouin (members of the Executive Board).

Nature and terms:

Eurazeo proposed to Investco 5 Bingen shareholders still present in the group to buy back all their shares at a price based on the discounted NAV as of December 12, 2016. This buyback offer was open from December 14, 2016 to January 13, 2017 and gave rise to the payment of €14,032,909.70 on December 20, 2016 to Augusta SAS, owned by Patrick Sayer, €12,695,540.14 on December 20, 2016 to Les Méliades SAS, owned by Virginie Morgon and €5,818,601.17 on January 10, 2017 to Philippe Audouin. In addition, pursuant to the planned unwinding of the investment contract, an interim dividend and a share capital reduction were decided by the Investco 5 shareholders' meeting. These operations were performed on February 16, 2017 in favor of Investco 5 shareholders who had not sold all their shares; €3,039,893 was paid in this respect to Patrick Sayer.

Reason:

During the period 2009 to 2015, Eurazeo granted call options to Investco 5 Bingen enabling it to purchase, at the initial cost price to Eurazeo, shares in several companies holding the investments made by Eurazeo between 2009 and 2011.

Due to the disposals performed in 2016, more than 50% of investments under the program were considered sold as defined by the investment contract. As the 6% hurdle was definitively attained, the 2009-2011 investment program expired on December 31, 2016, entitling the shareholders to 10% of the capital gain realized by Eurazeo in accordance with the terms of the investment contract. To facilitate the unwinding of this program, the Supervisory Board authorized Eurazeo to propose to Investco 5 Bingen shareholders still present in the Eurazeo group an additional method of terminating the program. Eurazeo therefore bought back at a discount a portion of Investco 5 shares net of registration fees. This will allow Eurazeo to simplify future liquidation operations for the structure.

Agreements and commitments authorized since the year end

We have been informed of the following agreements and commitments authorized by the Supervisory Board since the year end.

Agreements with shareholders

None.

Agreements with companies with executives in common

None.

Other agreements and commitments with executives

Variable compensation of members of the Executive Board holding an employment contract with the Company (Supervisory Board meeting of March 16, 2017).

Persons concerned:

Virginie Morgon and Philippe Audouin.

Nature and terms:

At its meeting of March 16, 2017, the Supervisory Board set the variable compensation for 2016 to be paid to members of the Executive Board in 2017 in accordance with the quantitative and qualitative criteria determined by the Supervisory Board meeting of March 15, 2016.

The variable compensation of the members of the Executive Board holding an employment contract is as follows:

Virginie Morgon:
Gross variable compensation of €718,083.

Philippe Audouin:
Gross variable compensation of €346,033.

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY SHAREHOLDERS' MEETING

Agreements and commitments approved in prior years

Agreements and commitments approved in previous years that remained in force during the year ended December 31, 2016

Pursuant to Article R.225-57 of the French Commercial Code, we have been informed that the following agreements and commitments, previously approved by Shareholders' Meetings of prior years, have remained in force during the year.

Agreements with shareholders

None.

Agreements with companies with executives in common

Subordination agreements between Eurazeo, Elis (formerly Holdelis) and Legendre Holding 27 (Supervisory Board meeting of June 12, 2013)

Persons concerned:

Philippe Audouin (Chairman of Legendre Holding 27, member of the Supervisory Board of Elis and member of the Eurazeo Executive Board) and Virginie Morgon (member of the Supervisory Board of Elis until May 31, 2016 and Deputy CEO of Eurazeo).

Nature and terms:

Pursuant to the refinancing of the senior and mezzanine debt of the group comprising Elis SA (formerly Holdelis) and its subsidiaries, the Supervisory Board meeting of June 12, 2013 authorized the signature of two subordination agreements between Eurazeo, Elis and its subsidiaries, Legendre Holding 27, ECIP Elis and the banks participating in the refinancing, in connection with the issue by Legendre Holding 27 of PIK interest-bearing subordinated senior bonds. Following the early repayment by Legendre Holding 27 of this bond issue, the aforementioned subordination agreements terminated on July 4, 2016.

Pledge agreement covering securities accounts and senior debt granted by Eurazeo and concerning securities held in Elis (formerly Holdelis) and shareholder loans granted to Elis (Supervisory Board meeting of June 12, 2013).

Persons concerned:

Virginie Morgon (member of the Supervisory Board of Elis until May 31, 2016 and Deputy CEO of Eurazeo) and Philippe Audouin (member of the Supervisory Board of Elis and member of the Eurazeo Executive Board).

Nature and terms:

Pursuant to the refinancing of the senior and mezzanine debt of the group comprising Elis SA (formerly Holdelis) and its subsidiaries, the Supervisory Board authorized the signature by Eurazeo of a pledge agreement covering 100% of the securities held in Elis and the shareholder loans granted to Elis by Eurazeo. Following the early repayment of this financing, these pledges were lifted on July 4, 2016.

Pledge agreement covering securities accounts granted by Eurazeo and concerning securities held in Legendre Holding 27 (Supervisory Board meeting of June 12, 2013).

Persons concerned:

Philippe Audouin (Chairman of Legendre Holding 27 and member of the Eurazeo Executive Board).

Nature and terms:

Pursuant to the refinancing of the senior and mezzanine debt of the group comprising Elis SA (formerly Holdelis) and its subsidiaries, the Supervisory Board authorized the signature by Eurazeo of a pledge agreement covering 100% of the securities held in Legendre Holding 27. Following the early repayment of this financing, this pledge was lifted on July 4, 2016.

Free share rebilling agreement between Eurazeo and Eurazeo PME (Supervisory Board meeting of March 19, 2013).

Persons concerned:

Virginie Morgon (member of the Supervisory Board of Eurazeo PME and Deputy CEO of Eurazeo) and Philippe Audouin (member of the Supervisory Board of Eurazeo PME and member of the Eurazeo Executive Board).

Nature and terms:

At its meeting of March 19, 2013, the Supervisory Board authorized, pursuant to the approval by Eurazeo's Executive Board of a free share grant plan for employees and corporate officers of Eurazeo and Eurazeo PME, the rebilling to Eurazeo PME of the costs of implementing the plan and particularly the costs associated with buying back the Eurazeo shares to be granted to beneficiaries at the end of the vesting period. The Supervisory Board also authorized all subsequent agreements with the same purpose and concerning costs relating to any grant of share subscription or purchase options.

An amount of €26,019.30 was billed by Eurazeo to Eurazeo PME in respect of the year ended December 31, 2016.

Other agreements and commitments with executives

None.

Agreements and commitments approved in previous years but not implemented during the year

In addition, we have been informed of the following agreements and commitments approved by Shareholders' Meetings of previous years, which remained in force but were not implemented in the year ended December 31, 2016.

Agreements with shareholders

None.

Agreements with companies with executives in common

Implementation of the 2012-2013 and 2014-2018 co-investment programs (Supervisory Board meetings of December 5, 2013 and March 18, 2014).

Persons concerned:

Patrick Sayer (Chairman of the Eurazeo Executive Board and Chairman of Carryco Capital 1 and Carryco Croissance), Virginie Morgon (Deputy CEO of Eurazeo and shareholder of Carryco Capital 1 and Carryco Croissance) and Philippe Audouin (member of the Eurazeo Executive Board and Managing Director of Carryco Capital 1 and Carryco Croissance).

Nature and terms:

At its meetings of December 5, 2013 and March 18, 2014, the Supervisory Board authorized the signature of contracts to be entered into with members of the Executive Board and members of the investment team, either directly or through the companies grouping them together.

Investment protocols were signed on November 28 and December 23, 2014 primarily between Eurazeo, members of the Executive Board and members of the investment team, to enable the implementation of co-investment programs in respect of investments made by Eurazeo in 2012 and 2013 (through Carryco Croissance), and to be implemented between 2014 and 2018 (through Carryco Capital 1). No amounts were paid to members of the Executive Board in the year ended December 31, 2016.

Other agreements and commitments with executives

Company commitments in respect of the terms of office of members of the Executive Board (Supervisory Board meeting of December 5, 2013).

Persons concerned:

Patrick Sayer, Virginie Morgon and Philippe Audouin.

Nature and terms:

At its meeting of December 5, 2013, the Supervisory Board authorized compensation and benefits of any kind for Executive Board members as part of the renewal of their terms of office as from March 19, 2014.

I PATRICK SAYER

- A supplementary defined-benefit pension plan which, if he reaches the end of his career while with Eurazeo within the meaning of the pension plan, will give him entitlement to supplementary pension rights calculated based on the average compensation for the last 36 months (bonus included, limited to twice the fixed compensation of the beneficiary) and his length of service with Eurazeo, the pension being equal to 2.5% of the base compensation per year of service, limited to 24 years. The compensation serving as the basis for the calculation of his pension (fixed and variable) is that received with respect to his term of office under the conditions set out in the plan. If his term of office is not renewed before March 19, 2018, the compensation paid with respect to his term of office will be taken into account to determine the base compensation serving for the calculation of the pension. Similarly, all the years spent in the service of the Company, including those as Chairman of the Executive Board, will be taken into account to determine the length of service used for the calculation of the pension.
- A Company collective, defined-contribution pension plan.

- In the event of non-renewal of his term of office, forced termination of his duties or forced departure before expiry of his term of office:
  - → Patrick Sayer will be entitled to payment by Eurazeo of termination benefits equal to 24 months compensation calculated based on the total compensation (fixed and variable) paid over the last 12 months. Termination benefits will include and be at least equal to the severance pay due under the collective agreement in the event of termination of the employment contract.
  - → Termination benefits will only be paid if the Company's share price compared to the LPX index changes between the date of Patrick Sayer's last appointment and the date of the end of his term of office, as follows:
    - if the Company's share performance compared to that of the LPX index is at least equal to 100%, Patrick Sayer will receive 100% of his termination benefits;
    - if the Company's share performance compared to that of the LPX index is less than or equal to 80%, Patrick Sayer will receive two thirds of his termination benefits;
    - between these two limits, the termination benefits will be calculated on a proportional basis.
  - → He will not be entitled to termination benefits in the event of misconduct. Similarly, these termination benefits will not be paid if Patrick Sayer leaves Eurazeo on his own initiative to take up new duties or if he changes position within the Group or if he is eligible for a pension less than one month following the date of his departure. He will receive half of his termination benefits if he is eligible for a pension one to six months following the date of his departure. In any event, whatever the departure date, the termination benefits received may not exceed the compensation that he would have received for the remaining months to retirement.
- In the event of non-renewal of his term of office, Patrick Sayer will be entitled, under the employment agreement entered into on January 1, 1995 with Gaz et Eaux, which remained in force through successive transfers within Eurazeo and has been suspended since May 15, 2002, the date on which he was appointed member of the Executive Board and Chairman, to compensation equal to his fixed compensation during the final year of his term of office.

2 VIRGINIE MORGON

- A supplementary defined-benefit pension plan which, if she reaches the end of her career while with Eurazeo within the meaning of the pension plan, will give her entitlement to supplementary pension rights calculated based on the average compensation for the last 36 months (bonus included, limited to twice the fixed compensation of the beneficiary) and her length of service with Eurazeo, the pension being equal to 2.5% of the base compensation per year of service, limited to 24 years.
- A Company collective, defined-contribution pension plan.
- In the event of resignation before March 19, 2018, Virginie Morgon will be bound by a non-compete obligation for a period of six months. In this respect, she will receive a gross, monthly, compensatory allowance corresponding to 33% of the average monthly compensation paid during the last 12 months preceding the termination of the employment contract. If a termination benefit is paid with respect to this departure (as set out below), the combined total of the non-compete allowance and the termination benefit must not exceed the combined total of the fixed and variable compensation paid during the two years preceding her departure. The Company reserves the right to choose not to implement this non-compete agreement.
- In the event of resignation before March 19, 2018, Virginie Morgon will also be bound by a non-solicitation obligation for a period of one year as from the termination of her employment contract.
- In the event of dismissal before the expiry of her term of office, except for gross or willful misconduct:
  - → Virginie Morgon will be entitled to the payment by Eurazeo of termination benefits equal to 18 months compensation calculated based on the total compensation (fixed and variable) paid over the last 12 months. Termination benefits will include the compensation due under the collective agreement in the event of termination of the employment contract. Termination benefits will only be paid if the Company's share price compared to the LPX index changes between the date of Virginie Morgon's last appointment and the date of the end of her term of office, as follows:
    - if the Company's share performance compared to that of the LPX index is at least equal to 100%, Virginie Morgon will receive 100% of her termination benefits;
    - if the Company's share performance compared to that of the LPX index is less than or equal to 80%, Virginie Morgon will receive two thirds of her termination benefits;
    - between these two limits, the termination benefits will be calculated on a proportional basis.
  - → She will not be entitled to termination benefits in the event of misconduct. Similarly, these termination benefits will not be paid if Virginie Morgon leaves Eurazeo on her own initiative to take up new duties or if she changes position within the Group or if she is eligible for a pension less than one month following the date of her departure. She will receive half of her termination benefits if she is eligible for a pension one to six months following the date of her departure. In any event, whatever the departure date, the termination benefits received may not exceed the compensation that she would have received for the remaining months to retirement.

3 PHILIPPE AUDOUIN

- A supplementary defined-benefit pension plan which, if he reaches the end of his career while with Eurazeo within the meaning of the pension plan, will give him entitlement to supplementary pension rights calculated based on the average compensation for the last 36 months (bonus included, limited to twice the fixed compensation of the beneficiary) and his length of service with Eurazeo, the pension being equal to 2.5% of the base compensation per year of service, limited to 24 years.
- A Company collective, defined-contribution pension plan.
- In the event of resignation before March 19, 2018, Philippe Audouin will be bound by a non-compete obligation for a period of six months. In this respect, he will receive a gross, monthly, compensatory allowance corresponding to 33% of the average monthly compensation paid during the last 12 months preceding the termination of the employment contract. If a termination benefit is paid with respect to this departure (as set out below), the combined total of the non-compete allowance and the termination benefit must not exceed the combined total of the fixed and variable compensation paid during the two years preceding his departure.

The Company reserves the right to choose not to implement this non-compete agreement.

- In the event of resignation before March 19, 2018, Philippe Audouin will also be bound by a non-solicitation obligation for a period of one year as from the termination of his employment contract.
- In the event of dismissal before the expiry of his term of office, except for gross or willful misconduct:
  - → Philippe Audouin will be entitled to the payment by Eurazeo of termination benefits equal to 18 months compensation calculated based on the total compensation (fixed and variable) paid over the last 12 months. Termination benefits will include the compensation due under the collective agreement in the event of termination of the employment contract. Termination benefits will only be paid if Eurazeo's share price compared to the LPX index changes between the date of Philippe Audouin's last appointment and the date of the end of his term of office, as follows:
    - if the Company's share performance compared to that of the LPX index is at least equal to 100%, Philippe Audouin will receive 100% of his termination benefits;
    - if the Company's share performance compared to that of the LPX index is less than or equal to 80%, Philippe Audouin will receive two thirds of his termination benefits;
    - between these two limits, the termination benefits will be calculated on a proportional basis.
  - → He will not be entitled to termination benefits in the event of misconduct. Similarly, these termination benefits will not be paid if Philippe Audouin leaves Eurazeo on his own initiative to take up new duties or if he changes position within the Group or if he is eligible for a pension less than one month following the date of his departure. He will receive half of his termination benefits if he is eligible for a pension one to six months following the date of his departure. In any event, whatever the departure date, the termination benefits received may not exceed the compensation that he would have received for the remaining months to retirement.

AGREEMENTS AND COMMITMENTS APPROVED DURING THE YEAR ENDED DECEMBER 31, 2016

We were also informed that the following agreements and commitments, already approved by the Shareholders' Meeting on May 12, 2016, were implemented during the year.

Agreements with shareholders

None.

Agreements with companies with executives in common

Implementation of the 2015-2018 co-investment programs (Supervisory Board meetings of June 16 and July 30, 2015).

Persons concerned:

Patrick Sayer (Chairman of the Eurazeo Executive Board, Chairman of Carryco Croissance 2 and shareholder of Carryco Patrimoine), Virginie Morgon (Deputy CEO of Eurazeo and shareholder of Carryco Croissance 2 and Carryco Patrimoine) and Philippe Audouin (member of the Eurazeo Executive Board and shareholder of Carryco Croissance 2 and Carryco Patrimoine).

Nature and terms:

At its meetings of June 16, 2015 and July 30, 2015, the Supervisory Board authorized the signature of contracts to be entered into with members of the Executive Board and members of the investment team, either directly or through the companies grouping them together. Investment protocols were signed on June 29, 2015 and July 30, 2015 primarily between Eurazeo, members of the Executive Board and members of the investment team, to enable the implementation of co-investment programs in respect of investments to be performed between 2015 and 2018 (through Carryco Croissance 2 and Carryco Patrimoine). No amounts were paid to members of the Executive Board in the year ended December 31, 2016.

Fixed compensation of a member of the Executive Board holding an employment contract with the Company (Supervisory Board meeting of December 15, 2015).

Person concerned:

Philippe Audouin (member of the Eurazeo Executive Board).

Nature and terms:

At its meeting of December 15, 2015, the Supervisory Board authorized an increase in the fixed compensation of Philippe Audouin, member of the Executive Board holding an employment contract with the Company, from January 1, 2016. Philippe Audouin's annual fixed compensation for 2016 was €475,000.

Variable compensation of members of the Executive Board holding an employment contract with the Company (Supervisory Board meeting of March 15, 2016).

Persons concerned:

Virginie Morgon and Philippe Audouin.

Nature and terms:

At its meeting of March 15, 2016, the Supervisory Board set the variable compensation for 2015 to be paid to members of the Executive Board in 2016 in accordance with the quantitative and qualitative criteria determined by the Supervisory Board meeting of June 16, 2015.

The variable compensation of the members of the Executive Board holding an employment contract paid in 2016 in respect of 2015 amounted to:

Virginie Morgon:
Gross variable compensation of €751,272.

Philippe Audouin:
Gross variable compensation of €312,486.

Other agreements and commitments with executives

None.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Clavié

Mazars
Guillaume Potel
Emilie Loréal

7.7 OTHER SPECIAL REPORTS OF THE STATUTORY AUDITORS

STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL DECREASE

Combined Shareholders' Meeting of May 11, 2017
(17th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Eurazeo SA and in accordance with article L.225-209 of the French Commercial Code *(Code de commerce)*, applicable in the event of a share capital reduction by cancellation of shares bought back under share buyback programs, we hereby report to you on our assessment of the reasons for and conditions of the planned share capital *reduction*.

Your Executive Board is seeking a 26-month authorization, from the date of this Annual General Meeting, to cancel, for up to a maximum of 10% of the share capital per 24 month-period, the shares bought back by Eurazeo SA pursuant to an authorization to buy back its own shares in accordance with the provisions of the aforementioned article.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures require that we ensure that the reasons for and conditions of the planned share capital reduction, which is not considered to affect shareholder equality, comply with the applicable legal provisions.

We have no comments to make on the reasons for and the terms and conditions of the proposed share capital decrease.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Clavié	Guillaume Potel Émilie Loréal

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STATUTORY AUDITORS' REPORT ON THE PROPOSED ISSUE OF BONUS SHARE WARRANTS IN THE EVENT OF A TAKEOVER BID TARGETING THE COMPANY'S SHARES

Combined Shareholders' Meeting of May 11, 2017

(18th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Eurazeo, and in accordance with Article L. 228-92 of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed issue of bonus share warrants in the event of a takeover bid targeting the Company's shares, which is submitted to you for approval.

On the basis of its report, the Executive Board proposes, in accordance with Article L. 233 32 II of the French Commercial Code and in the event of a takeover bid targeting the Company's shares made within 18 months of this Shareholders' Meeting, that shareholders delegate to the Executive Board the authority to:

- decide the issue of bonus share warrants subject to Article L. 233-32 II of the French Commercial Code to all eligible shareholders before the expiry of the takeover bid, enabling them to subscribe for one or more Company shares on preferential terms;
- set the conditions under which the warrants may be exercised as well as the other features of the warrants.

The maximum par value amount of the capital increase that may result from the exercise of such warrants is €100 million and the maximum number of share warrants that may be issued will be equal to the number of shares outstanding at the time of issue.

It is the responsibility of the Executive Board to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements and on certain other information relating to the issue provided in the report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Executive Board's report relating to this transaction.

We have no matters to report on the information provided in the Executive Board's report with respect to the proposed issue of share warrants in the event of a takeover bid targeting the Company.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Executive Board exercises the delegation of authority.

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel Émilie Loréal

STATUTORY AUDITORS' REPORT ON THE ISSUE OF ORDINARY SHARES AND/OR SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL, RESERVED FOR MEMBERS OF A COMPANY SAVINGS PLAN

Combined Shareholders' Meeting of May 11, 2017

(19th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Eurazeo, and in accordance with Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegation of authority to the Executive Board to issue, without shareholders' preferential rights, ordinary shares and/or securities granting access, immediately or in the future, to the share capital, reserved for employees of the Company and/or related companies within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 344-1 of the French Labor Code (*Code du travail*), provided that such employees are members of a Company Savings Plan, which is submitted to you for approval. The maximum aggregate par value amount of the share capital increase resulting from this issue is set at €2 million.

This transaction is submitted to the shareholders for approval in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code and Article L. 3332-18 *et seq.* of the French Labor Code.

On the basis of its report, the Executive Board proposes that the shareholders delegate to the Executive Board, for a period of 26 months as from the date of this meeting, the authority to issue shares and/or securities and to cancel their preferential rights to subscribe for the shares to be issued. The final terms and conditions of such an issue would be set by the Executive Board.

It is the responsibility of the Executive Board to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancelation of the shareholders' preferential subscription rights, and on certain other information relating to the issue provided in the report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Executive Board's report relating to this transaction and the methods used to determine the issue price of the shares and/or securities to be issued.

Subject to a subsequent examination of the conditions of the issue once they have been decided, we have no matters to report on the information provided in the Executive Board's report relating to the methods used to set the issue price of the shares and/or securities to be issued.

Since the final terms and conditions of the issue have not been set, we do not express an opinion on these terms and conditions or, consequently, on the proposed cancelation of the shareholders' preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Executive Board exercises the delegation of authority to issue shares, securities granting access to the share capital or securities granting access to shares to be issued.

7

Neuilly-sur-Seine and Courbevoie, March 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel Émilie Loréal

REGISTRATION DOCUMENT CROSS-REFERENCE TABLE

In order to facilitate the reading of this Registration Document filed with the AMF, the index below provides cross-references between the main headings as required by EC regulation no. 809/2004 implementing the "Prospectus" Directive, and the corresponding pages.

N/A: Not applicable.

N/A: not applicable.

ANNUAL FINANCIAL REPORT CROSS-REFERENCE TABLE

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Executive Board's report	
• Analysis of the results, financial position and risks and list of delegations concerning capital increases by the parent company and the consolidated entity (Articles L. 225-100 and L. 225-100-2 of the French Commercial Code)	28 to 47; 70 to 86; 99; 101 to 109; 199 to 217; 344
• Information required by Article L. 225-100-3 of the French Commercial Code on factors affecting a potential takeover bid	355 and 356
• Information relating to share buybacks (Article L. 225-211, paragraph 2 of the French Commercial Code)	352 to 354
Financial statements	
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EXECUTIVE BOARD'S REPORT CROSS-REFERENCE TABLE

The Registration Document contains all Executive Board report items required by Articles L. 225-100 *et seq.*, L. 232-1.II and R. 225-102 *et seq.* of the French Commercial Code.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL INFORMATION CROSS-REFERENCE TABLE

The fifth edition of Eurazeo's CSR report comprises several information items set out in the Global Reporting Initiative (GRI) 4 guidelines.

		GRI 4				
	Page number	**Indicator**	**Level of reporting: Complete (C)/Partial (P)**	**Grenelle II**	**Global Compact: Advanced Level**	**AFIC ESG charter ***
Information on Eurazeo's CSR policy						
Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy	Web site	G4-1	C	-	19	D.16
Integration of CSR in investment policy	112 to 116	G4-18	P		1 to 2; 17 to 18	D.16
CSR 2020 strategy and objectives	82; 117 to 119	HR1; FS10	C	-	1 to 15; 17 to 18; 20	B.9; D.15 to 16
Commitments and recognition	124	G4-15	C	-	17 to 18	D.16
History of the CSR commitment	Web site	-	-		1 to 2; 15; 17 to 18; 20	D.16
Report profile and methodology	145 to 146	G4-18 to 21; G4-28 to 33	C	-	-	-
General information on Eurazeo						
Name of the organization and location of its headquarters	336	G4-3; G4-5	C	-	-	-
Organization profile	24 to 51	G4-4; G4-8	C		-	A.1 to 5
Countries where the organization operates	56; 274 to 288	G4-6	C	-	-	-
Nature of ownership and legal form	336	G4-7	C	-	-	-
Net revenues and total capital	76 to 77; 300 to 302	G4-9	C	-	-	-
Significant changes in size, structure or capital	102 to 104; 345	G4-13	P	-	-	-
Entities included in the consolidated financial statements	102	G4-17	C	-	-	-
Direct economic value generated and distributed	127; 140 to 142; 224 to 225	EC1	C	-	-	D.16
Risk control resources implemented	99; 199 to 213	SO4	P	A225 2-a-3	2 14	C.10; D.13
Governance						
Eurazeo's general governance structure	154 to 178	G4-34; G4-38 to 41; G4-45 to 48; G4-51 to 52	C	-	1 20	D.15
Information on Eurazeo's CSR governance	118; 133	G4-36; G4-42 to 44	C	-	1; 19 to 20	D.15
Governance of subsidiaries						
Segregation of executive and supervisory functions	118	G4-39	C	-	-	-
Members of Supervisory Boards (SB) and Boards of Directors (BD)	118	-	-	-	-	-
Independent Directors	118	-	-	-	-	-

	Page number	GRI 4 Indicator	GRI 4 Level of reporting: Complete (C)/Partial (P)	Grenelle II	Global Compact: Advanced Level	AFIC ESG charter *
Average term of office	118	-	-	-	-	-
SB and BD meetings and attendance rate	118	-	-	-	-	-
Companies with an Audit Committee and a Compensation Committee in the SB or BD	118	-	-	-	-	-
CSR officer	133	-	-	-	-	-
CSR charter	133	-	-	-	-	-
Social						
Employment						
Permanent and non-permanent workforce	125	G4-9; 10	C; P	A225 1-a-1	6 to 8	-
Breakdown of workforce by gender, age and region	125 to 126	G4-10; LA12	P	A225 1-a-1	6 to 8; 15	-
Breakdown of workforce by employment contract and professional category	125	G4-10; LA12	P	-	6 to 8	-
New hires and departures	126	LA1	P	A225 1-a-2	6 to 8	B.7
Compensation and benefits						
Compensation and trends	127	-	-	A225 1-a-3	6 to 8; 15	B.9
Employee shareholders	127	-	-	-	6 to 8; 15	B.9
Organization of working hours						
Part-time employees	127	-	-	A225 1-b-1	6 to 8	-
Temporary employee hours	127	-	-	A225 1-b-1	6 to 8	-
Absenteeism	127	LA6	P	A225 1-b-2	6 to 8; 15	-
Labor relations						
Social dialogue mechanisms	128	-	-	A225 1-c-1	6 to 8; 15	B.6
Collective agreements	128	-	-	A225 1-c-2	6 to 8; 15	-
Employee surveys and social barometers	128	-	-	-	6 to 8; 15	-
Health and safety						
Workplace health and safety	129	-	-	A225 1-d-1	6 to 8; 15	-
Occupational diseases	129	LA6	P	A225 1-d-3	6 to 8; 15	-
Agreements signed on workplace health and safety	129	-	-	A225 1-d-2	6 to 8; 15	-
Workplace accidents	129	LA6	P	A225 1-d-3	6 to 8	-
Skills development						
Training policies	130	-	-	A225 1-e-1	6 to 8; 15	B.8
Training hours and expenditure	130	LA9	P	A225 1-e-2	6 to 8	-
Equal treatment and promotion of diversity						
Composition of governance bodies (SB or BD) by gender	13	LA12	P	-	15	-
Composition of decision-making bodies by age	155 to 157; 161 to 170	-	-	-	15	-
Measures to promote equal employment	130 to 131	-	-	A225 1-f-1	6 to 8; 15	-
Measures to promote the integration of people with disabilities	131	-	-	A225 1-f-2	6 to 8; 15	-
Anti-discrimination policies	131	-	-	A225 1-f-3	6 to 8; 15	-
Promotion of and compliance with key ILO conventions	131	-	-	A225 1-g-1 to A225 1-g-4	3 to 8; 15	-

	Page number	GRI 4 Indicator	GRI 4 Level of reporting: Complete (C)/Partial (P)	Grenelle II	Global Compact: Advanced Level	AFIC ESG charter *
Environnement						
Environmental policy						
Organization of the Company to take into account CSR and methods implemented in respect of the environment	133	-	-	A225 2-a-1	1 to 2; 9 to 11; 15	C.12
Evaluation and certification procedures	133	-	-	A225 2-a-1	9 to 11; 15	-
Training and information of employees in environmental protection	134	-	-	A225 2-a-2	9 to 11; 15	-
Amounts, means and measures devoted to the prevention of environmental risks and pollution	134	EN31	C	A225 2-a-3 to A225 2-a-4	9 to 11	C.10
Compensation paid in respect of environmental litigation	134	EN29	C	-	9 to 11	-
Pollution						
Preventive, reduction and remediation measures in respect of air, water and soil emissions seriously impacting the environment	134	-	-	A225 2-b-1	9 to 11; 15	-
Air emissions (NOx and SOx)	134	EN21	C	A225 2-b-1	9 to 11	-
Water and soil discharges	134	-	-	A225 2-b-1	9 to 11	-
Measures to take account of noise pollution and other forms of pollution specific to an activity	134	-	-	A225 2-b-2	9 to 11	-
Waste prevention and management						
Total waste production	135	EN23	P	-	9 to 11	-
Waste processing and recovery expenditure and proceeds	135	EN31	C	-	9 to 11	-
Waste prevention, recycling and reduction measures	135	-	-	A225 2-c-i-1	9 to 11; 15	C.12
Measures in the fight against food wastage	135 to 136	-	-	A225 2-c-i-2	9 to 11; 15	-
Sustainable use of resources						
Water consumption and action to optimize water consumption	136	EN8; EN31	P	A225 2-c-ii-1	9 to 11; 15	C.12
Local water supply constraints	136	-	-	A225 2-c-ii-1	9 to 11; 15	-
Raw material consumption and measures to improve the efficiency of their utilization	136	-	-	A225 2-c-ii-2	9 to 11; 15	C.12
Energy consumption and measures to improve energy efficiency	137	EN3; EN30	C	A225 2-c-ii-3	9 to 11; 15	C. 12
Soil use and measures to prevent and reduce soil discharges	137	-	-	A225 2-b-1A225 2-c-ii-4	9 to 11; 15	-
Climate change						
Greenhouse gas (GHG) emissions	138	-	-	-	9 to 11; 15	-
Greenhouse gas emissions (scopes 1 and 2)	138	EN15; EN16	C	A225 2-d-1	9 to 11; 15	-
Greenhouse gas emissions (scope 3)	138	EN17	C	A225 2-d-1	9 to 11; 15	-
Material installations emitting greenhouse gases as a result of the Company's activities, notably through the use of goods and services it produces	138	-	-	A225 2-d-1	9 to 11; 15	-

	Page number	GRI 4 Indicator	GRI 4 Level of reporting: Complete (C)/Partial (P)	Grenelle II	Global Compact: Advanced Level	AFIC ESG charter *
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Protection of biodiversity						
Measures to preserve or develop biodiversity	139	-	-	A225 2-e-1	9 to 11; 15	C.11
Societal information						
Territorial, economic and social impact of the activity						
Regional employment and development	140	-	-	A225 3-a-1	-	B.7
Neighboring and local populations	140	-	-	A225 3-a-2	-	-
Relations with individuals and organizations interested by the Company's activities						
Dialogue with stakeholders	140 to 141	G4-16; G4-18; G4-24 to 27	C	A225 3-b-1	15; 18; 21	-
Partnership and corporate sponsorship actions	141 to 142	-	-	A225 3-b-2	3 to 4, 15 to 18	-
Expenditure on societal actions	141 to 142	-	-	-	16	-
Sub-contractors and suppliers						
Inclusion of social and environmental issues in the purchasing policy; volume of sub-contracting	142 to 143	G4-12	C	A225 3-c-1 to A225 3-c-2	3 to 11; 15	-
Breakdown of suppliers by region	143	-	-	-	3 to 5; 15	-
Fair trade practices						
Actions in the fight against corruption	144; 203 to 204	G4-56; SO4	C	A225 3-d-1	3 to 5, 12 to 15	D.13 to 14
Measures in favor of the health and safety of consumers	144	-	-	A225 3-d-2	-	-
Human rights						
Actions in favor of human rights	144	-	-	A225 3-e	3 to 5; 15	-
External verification of the report						
Report of one of the Statutory Auditors designated as independent third-party on social, environmental and societal information	147 to 150	G4-33	C	Compliant	Compliant	-

The symbol "-" indicates non-applicable items.

* *"Investors for growth commitments charter" issued by the French Association of Investors for Growth (Association française des investisseurs pour la croissance (AFIC).*

NOTES

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For more than ten years, Eurazeo has supported photography, a reflection of society's view of our time. This commitment primarily involves the acquisition, each year, of original works which Eurazeo showcases in its annual review and exhibits in its Paris offices.

In 2010, Eurazeo decided to strengthen this policy by creating a competition to reward the work of a photographer on a given theme.

For the 7th edition of the Grand Prix, "A photographer for Eurazeo", the jury, presided by Jean-François Camp, Chairman of the photo laboratory Central Dupon Images, and comprising ten members mainly from the world of art and photography, selected the "New Horizons" theme. The jury selected the series presented by Marc Krüger from among 110 submissions.

Animato #19

Sunrise #08

Sunrise #07

Sunrise #06

Sunrise #03

Sunrise #09

Sunrise #10

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