2018

FFP

REGISTRATION DOCUMENT **2018**

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Annual Financial Report items are clearly identified in this summary with the aid of the AFR pictogram AFR

INVESTING AT YOUR SIDE TOWARDS
SUSTAINABLE GROWTH.

REGISTRATION DOCUMENT
2018

In accordance with Article 28 of Commission Regulation (EC) No. 809/2004 of 29 April 2004, the following information is included for reference in this Registration Document:

- the consolidated financial statements and the report of the Statutory Auditors, for 2017, contained in pages 116 to 167 of the Registration Document filed with the AMF on 16 April 2018 under number D. 18-0332;
- the consolidated financial statements and the report of the Statutory Auditors, for 2016, contained in pages 108 to 155 of the Registration Document filed with the AMF on 31 March 2017 under number D. 17-0280.

The original French-language version of this Registration Document was filed with the AMF on 12 April 2019 in accordance with Article 212-13 of the AMF General Regulation. The French-language original Registration Document may be used as a basis for a financial transaction if it is supplemented by a prospectus authorised by the AMF. This document was prepared by the issuer, whose authorised signatories alone assume responsibility for its content. This document is a free translation of the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein, the original language version in French takes precedence over this translation.

Copies of this Registration Document may be obtained by submitting a request to FFP,

66, avenue Charles de Gaulle - 92200 Neuilly-sur-Seine, via the FFP website:
www.groupe-FFP.fr or via the AMF website: **www.amf-france.org**

PROFILE

FFP is a listed long-term investment company that is majority owned by Etablissements Peugeot Frères.

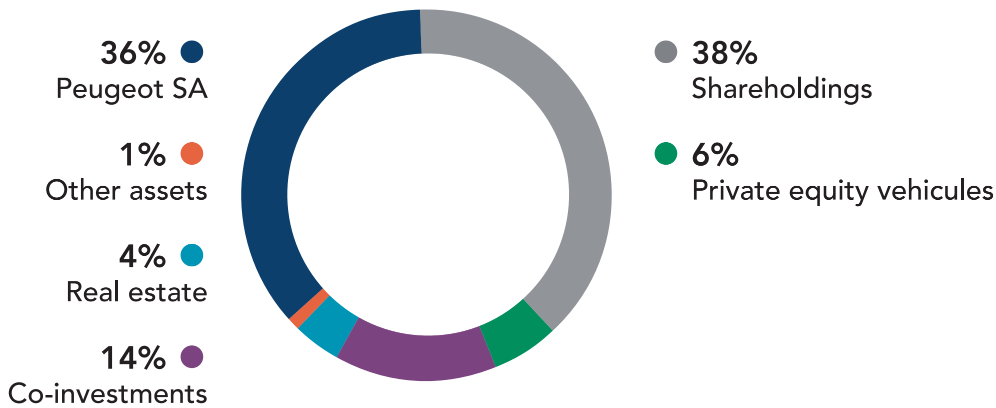
It is one of the reference shareholders of Peugeot SA. It also has a diversified investment portfolio composed primarily of direct minority holdings, investments in private equity funds, co-investments and real estate investments.

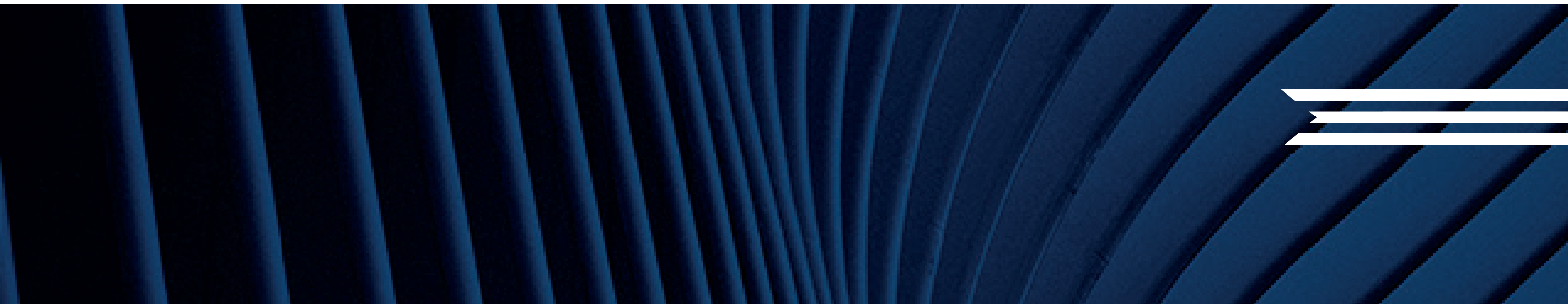
€3.7 billion
Net Asset Value

> €400 million
investment capacity

–1.4%
change in Net Asset Value in 2018

ASSETS ON 31 DECEMBER 2018





GROUP PRESENTATION

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CHAIRMAN'S MESSAGE
FOR 2018

Dear Shareholders,

After a record 2017, market conditions were tougher in 2018, but FFP once again showed the quality and resilience of its assets, which outperformed stockmarket indexes.

We continued to strengthen our resources, and the FFP team now consists of 27 professionals in Paris and London who work to originate, complete and monitor our transactions.

Business levels at our investee companies, particularly PSA Group and Safran, were buoyant in 2018. PSA Group's integration of Opel/Vauxhall has been very successful and rapid, helping it to post record earnings. At Safran, the integration of Zodiac Aerospace and the ramp-up of LEAP engine production went well, as shown by its improved financial results.

We took advantage of strong gains in ORPEA's share price in late July, reducing our stake from 5.6% to 5.0% by selling a block of shares in the market, on which we realised a multiple close to 4x. FFP has been an ORPEA shareholder since 2011 and will continue providing active support to the group through its presence on the Board.

We continued our co-investment strategy. We supported JAB Holding's growth, taking part in the acquisition of Dr Pepper Snapple Group, which created a world-leading player in the non-alcoholic beverages sector. We further increased our exposure to the healthcare sector, committing a maximum of €160 million alongside ArchiMed and its team of sector specialists. FFP also made its second co-investment alongside PAI Partners in Asmodee, the European leader in board games and collectable cards.

We continued to make commitments to private equity funds. We initiated new relationships with funds in Europe, making commitments to Astorg and Five Arrows Principal Investments (FAPI), and in the United States with Webster and K1. We also reinvested in five of our general partners, which raised successor funds in 2018.

In the real-estate sector, we invested in White Stone VII, the latest real-estate fund managed by LBO France. In the United States, we continued our fruitful partnership with ELV, with six new value-add projects and our first exit.

These transactions clearly illustrate the investment strategy – based on sector and geographical diversification – that FFP has been pursuing for several years now.

The stockmarket decline in the fourth quarter of 2018 adversely affected FFP's NAV, which ended the year almost unchanged.

We are maintaining our sensible policy regarding debt management, which amounted to €571 million on 31 December 2018. As always, FFP continues to dispose of large amount of available funding with which to seize new investment opportunities.

2019 is also starting well. In February, we sold our stake in DKSH, a Swiss group that helps companies set up and expand in Southeast Asian markets. We realised an overall multiple of 4.3x on that investment, having supported DKSH's growth for 11 years.

We also maintained our real-estate strategy, making commitments to Tikehau's TREO fund and to the low-carbon real-estate development fund Icawood.

On the basis of our overall 2018 performance, the Board of Directors will propose an ordinary dividend of €2.15 per share at our AGM, a 7.5% increase relative to 2017.

Robert PEUGEOT
Chairman and Chief Executive Officer

1.2 Key events

BECOMING SHAREHOLDER OF SAFRAN

FFP tendered all of its Zodiac Aerospace shares to the public exchange offer initiated by Safran, and invested a further €31 million in Safran shares.

PARTNERSHIP WITH ARCHIMED TO INCREASE FFP'S EXPOSURE TO THE HEALTHCARE SECTOR

FFP committed to invest up to €80 million in ArchiMed's MED Platform 1 fund, out of a target fund size of €800 million, with the potential to double its exposure by co-investing in companies of its choosing.

RECORD EARNINGS FOR PSA GROUP

PSA Group achieved an excellent performance in 2018, including an operating margin of 7.7%.

ADDITIONAL INVESTMENT IN PARTNERSHIP WITH JAB HOLDING

FFP continued supporting JAB Holding's expansion strategy in the beverages sector in the context of its acquisition of Dr Pepper Snapple Group, investing an additional $130 million.

PARTIAL DISPOSAL OF THE INVESTMENT IN ORPEA

Having supported ORPEA since 2011, FFP sold a 0.85% stake in the company, realising a return on investment of almost 4x, and retained a stake of around 5%.

OTHER CO-INVESTMENTS

asmodee

BIG BOTTLING COMPANY

FURTHER IMPLEMENTATION OF THE REAL-ESTATE STRATEGY

ELV Associates, Inc.

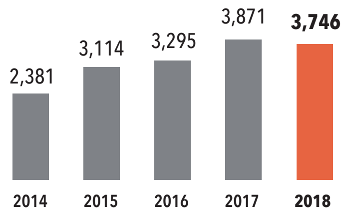
LBO FRANCE

+ COMMITMENTS TO NINE NEW PRIVATE EQUITY FUNDS, TOTALLING €122 MILLION

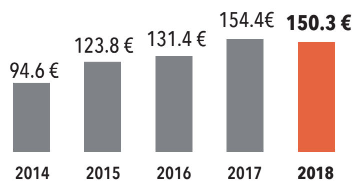
1.3 Key figures

ASSET VALUE [1] (in millions of euros)

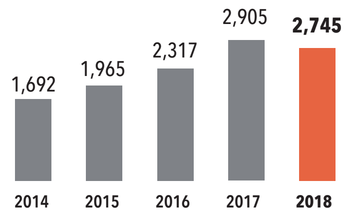
Net Asset Value



Net Asset Value per share



Gross Asset Value of Investments (excluding PSA)

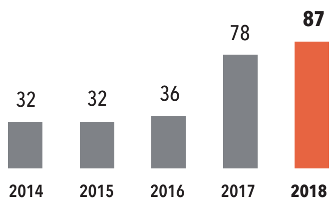


Consolidated financial statements

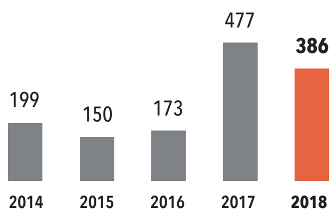
M€	2014	2015	2016	2017	2018
Net profit attributable to equity holders of the parent	307.8	159.2	149.8	221.8	114.9
Net profit per share	12.2 €	6.4 €	6.0 €	8.9 €	4.6 €
Comprehensive income attributable to equity holders of the parent	413.5	743.9	181.8	513.3	111.0
Equity attributable to equity holders of the parent	2,235.7	2,928.3	3,070.1	3,508.9	3,569.6
Equity per share after appropriation of income	88.9 €	115.2 €	115.2 €	139.8 €	142.2 €

MAIN FINANCIAL FLOWS (in millions of euros)

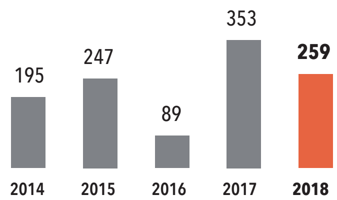
Dividends received (by FFP and its wholly owned subsidiaries)



Investments in shareholdings and private equity funds



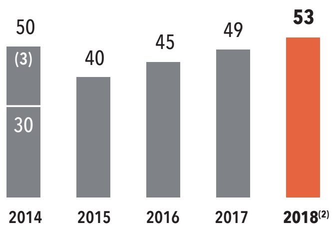
Disposals of securities and money returned by private equity funds



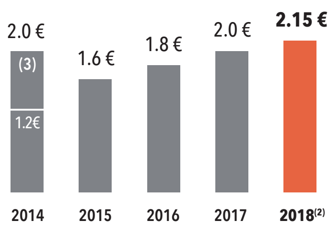
1.3

DIVIDENDS

Dividend paid (in millions of euros)



Net dividend per share



(1) Details of asset valuations on 31 December 2018 are provided in section 1.7 "Net Asset Value".
(2) Proposed to the AGM of 15 May 2019.
(3) Special dividend.

1.4 FFP's history

FFP WAS ESTABLISHED IN 1929. IT BECAME PSA GROUP'S MAIN SHAREHOLDER IN 1966 AND FLOATED ON THE STOCK EXCHANGE IN 1989. SINCE 2002, IT HAS PURSUED AN ACTIVE DIVERSIFICATION STRATEGY.

1810

A mechanical engineering business is set up in the Doubs region of France.

1929

Société Foncière, Financière et de Participations – FFP is created.

1996

FFP becomes a shareholder of Compagnie Industrielle de Delle (CID), the largest shareholder of LISI.

2002

FFP buys into Groupe Taittinger and acquires a further 5% stake in LISI.

2005

Alongside the founding family members and CNP, FFP sells its shares in Société du Louvre and Groupe Taittinger.

2007

FFP buys a 23% stake in the ONET group to support the founding family, and increases its holdings in Zodiac Aerospace and IDI.

1966

FFP is the largest shareholder of the Peugeot manufacturing group.

1989

FFP lists on the Nancy stock exchange.

1997

FFP invests in Société du Louvre – groupe du Louvre.

2004

FFP invests in SEB, Linedata Services and Spanish company Fomento de Construcciones y Contratas (FCC).

2006

FFP takes part in the consortium that acquires motorway network operator Sanef, transfers its Charenton building to Immobilière Dassault, acquires Château Guiraud and becomes a shareholder of IDI and Zodiac Aerospace.

2008

FFP buys shares in DKSH. With other partners, FFP sets up IDI Emerging Markets to strengthen its presence in private equity funds operating in emerging economies.

2009

FFP, as Peugeot SA's reference shareholder, supports PSA's refinancing by buying 10% of newly issued bonds convertible into new or existing shares (OCEANEs).

2011

FFP invests in ORPEA and Ipsos' largest shareholder LT Participations. FFP exchanges its PSA OCEANEs for Peugeot SA shares.

2013

FFP sells a 0.8% stake in DKSH, along with its remaining shares in Linedata. FFP joins forces with Louis Dreyfus Armateurs, forming a joint venture (LDAP) to operate bulk carrier ships.

2015

FFP acquires an additional 1.2% stake in Zodiac Aerospace and makes a commitment to Eren. FFP sells part of its stake in ONET and monetises its Peugeot SA warrants.

2017

FFP acquires a 5.5% stake in SPIE and takes part in the capital increases of Tikehau Capital and Total Eren. FFP sells its stakes in Sanef, ONET and Ipsos and makes five co-investments (in JAB Holding, Lineage, AmaWaterways, Ciprés and Capsa). FFP supports PSA Group's acquisition of Opel/Vauxhall.

2010

FFP sells its indirect stake in FCC and adjusts its positions in Zodiac Aerospace, SEB and the PSA OCEANEs.

2012

FFP supports Peugeot SA by taking part in its capital increase. FFP sells 35% of its stake in DKSH and most of its shares in Linedata Services.

2014

FFP signs an agreement governing the acquisition of Peugeot SA shares by Dongfeng Motor and the French government, and takes part in the capital increase. FFP invests in CIEL and IHS. FFP sells part of its Zodiac Aerospace shares.

2016

FFP buys a stake in Tikehau Capital and Tikehau Capital Advisors. FFP invests in real-estate projects in the United States and Paris, and co-invests in Roompot. FFP makes a commitment to invest alongside JAB Holding. Transactions to monetise the Peugeot SA warrants are unwound in December 2016.

2018

FFP tenders its Zodiac Aerospace shares to Safran as part of an exchange offer and sells a 0.85% stake in ORPEA. FFP makes new co-investments alongside JAB Holding and ArchiMed, and in Big Bottling Company and Asmodee.

1.5 FFP's strategy

INVESTING AT YOUR SIDE TOWARDS SUSTAINABLE GROWTH

FFP'S MODEL

FFP is a listed investment company controlled by Etablissements Peugeot Frères. FFP's mission is to create value by developing the companies in which it invests as a long-term minority shareholder.

The company has made long-term minority growth capital its core business. Its identity is founded on the values of the Peugeot family, as well as on its industrial and entrepreneurial experience.

FFP is one of the largest shareholders in PSA Group in which, together with Établissements Peugeot Frères, it holds a total stake of 12.2%. Alongside this long-standing investment, FFP has used its industrial experience to diversify its assets and over the years has gained credibility through its investment choices, which are based on a combination of high-quality origination, strategic impact and value creation. FFP is now a professional investor that has successfully provided long-term support to around 20 companies since 2003.

FFP's business model has five pillars :

A UNIQUE BACKGROUND

FFP's origins lie in the family-controlled Peugeot group, which created PSA Group and has an industrial heritage dating back more than 200 years. This enables FFP to support business projects by positioning itself as an active long-term partner. FFP's values as an investment company stem from those fundamentals, which guide its strategic choices and decisions.

As a result, FFP has developed its own investment business while also capitalising on the Peugeot family's entrepreneurial history.

AN ACTIVE MINORITY INVESTOR

FFP is an equity investor. This requires financial discipline and constant attention in terms of selecting and monitoring investments. As a minority shareholder, FFP seeks to work with investees' management teams in compliance with governance rules. FFP plays an active role in investees' boards and committees. It helps set their strategic direction, paying particular attention to the development of management teams and the application of good governance rules, and provides its expertise when they carry out transformative transactions.

A SOLID, LONG-TERM PARTNER

For FFP, being a long-term investor means providing active, constant support to companies as they grow. Commitment is a core value for FFP. Each investment decision is taken with a long-term view, with no strict constraints regarding exit. FFP is a stable shareholder, and the average period of ownership for its investees is more than 10 years.

AN INVESTMENT STRATEGY THAT IS CONSISTENT OVER TIME

With its stable majority shareholder, FFP can implement a strategy of continuity. Furthermore, the dialogue it maintains with other shareholders and management and its ability to understand the issues involved in a variety of sectors make FFP a high-quality shareholder.

A RESPONSIBLE SHAREHOLDER

FFP strongly believes that taking into account environmental, social and governance (ESG) issues creates opportunities, and enhances the effectiveness and performance of its portfolio. FFP takes stewardship seriously, encouraging its direct and indirect investees to make progress on governance, workforce-related, social and environmental matters.

COMPETITIVE ADVANTAGES

FFP operates in a contested market where there is growing competition from institutional investors, private equity funds, family-owned groups, industrial groups and international pension funds. This competition between investors with varying objectives and approaches is amplified by a high level of intermediation – via investment banks and M&A specialists – in most market segments.

FFP has a strong identity and image within its ecosystem, founded on the following key characteristics:

VALUES

- Loyalty
- Human relationships
- Open-mindedness
- Discretion

FFP defines itself above all by what it offers investees in terms of a long-term investment horizon, skills, network and capital. FFP is proud of its ability to create strong ties with its investees and to help management teams grow their companies.

APPROACH

- Caution
- Financial discipline
- Professionalism
- Pragmatism
- Commitment to good governance

FFP supports growing companies that have an international dimension. It has been able to carve out a strong position through the cautious, sensible way it has managed its portfolio, its ability to make decisions quickly and its experienced teams.

ADDED VALUE

- Strength of conviction and ability to understand the issues faced by family owners
- Support for management decisions
- Knowledge of industrial issues

FFP has benefited from the image and experience of the family-controlled Peugeot group. It now has a high-quality, diversified asset portfolio. This position has proven its worth, creating around €2 billion of value in the last 16 years.

A TEAM OF COMMITTED AND PROACTIVE PROFESSIONALS

"In the last 15 years, FFP has proven its ability to create value and has put together a team of experienced professionals in France and the UK. The team's members have varied, complementary profiles. This diversity enables FFP to capitalise on all of its team members' experience and skills in the various asset classes and to originate investment opportunities.

The agility and responsiveness of our people, combined with a shared vision and values, have made FFP an acknowledged partner in the investment community."

Robert Peugeot

INVESTMENT STRATEGY

With more than €4 billion of assets at end-2018, FFP holds direct and indirect equity interests in many sectors of the economy such as manufacturing, business services, personal services and consumer goods.

FFP, with its majority shareholder Établissements Peugeot Frères, has been an investor in PSA Group from the outset and remains one of its reference shareholders. FFP has diversified its asset base through an investment strategy based on four asset categories. The desired characteristics of investments in each category are as follows:

PSA GROUP

FFP's original investment

FFP, with its majority shareholder Établissements Peugeot Frères, has been an investor in PSA Group from the outset and remains one of its main shareholders.

DIRECT EQUITY INVESTMENTS

Equity investments of €50-200 million for a minimum stake of 5%

Main investment criteria:
(for listed and unlisted companies)

- growing companies of significant scale, often leaders in their sector;
- operating in growth or niche markets or markets with consolidation potential;
- located in Europe with heavy international exposure or an international growth strategy;
- with business activities that show low correlation with the economic cycle;
- with experienced management teams that share FFP's vision;
- with balanced governance mechanisms that enable FFP to play its role as shareholder to the fullest extent;
- that have made ESG/CSR commitments;
- offering organised future liquidity.

Listed shareholdings:
LISI, SEB, ORPEA, SPIE, SAFRAN, Tikehau Capital, CIEL, IDI

Unlisted shareholdings:
Tikehau Capital Advisors, Château Guiraud, LDAP, Total Eren

PRIVATE EQUITY VEHICLES

Commitments of €10-25 million

Types of funds:

- core strategy: LBO, growth capital;
- adjacent asset classes (technological growth and impact funds);
- ESG commitments.

Geographical zones:
United States, Europe, Asia and emerging markets

Examples of private equity funds:
Advent, PAI Partners, Keensight, Warburg Pincus, Valor, DB AG, Everstone

CO-INVESTMENTS

Minimum equity investment of €10 million

- investments alongside private equity funds or other partners;
- "Platform" investments

Examples of co-investments:
IHS, JAB Holding, ArchiMed, AmaWaterways, Lineage

REAL ESTATE

- diversified assets;
- development based on "value-add" deals;
- direct investments, co-investments and investments via funds.

Real estate assets:
Immobilière Dassault, FFP-Les Grésillons

Real-estate funds:
White Stone VI and VII, Lapillus II

Co-investments:
ELV

INVESTMENTS IN TUNE WITH FFP'S HISTORY AND FAMILY VALUES

Investments are aligned with the family's philosophy and values through:

- an understanding of investee issues, business, strategy and competitive situation, based on the Peugeot family's industrial and entrepreneurial experience;
- "meaningful" investments, i.e. that boost an investee's growth, finance a transformative acquisition, help to create a world leader, stabilise a company's ownership structure, or support private equity funds that aim to have a social or environmental impact;
- risk management to ensure good long-term performance, particularly for shareholders;
- a long investment horizon with the desire to support investees over the long term. We have held most of our equity investments for more than 10 years;
- a focus on ensuring low correlation between sectors in order to achieve maximum diversification of our assets.

EXCLUSION POLICY

FFP has adopted a sector exclusion policy as part of its investment activities. This policy, which is an integral part of its ESG commitments and values, excludes investments in certain sectors or companies that meet the following criteria:

- business activities that do not comply with FFP's responsible investor charter: gambling, tobacco, pornography;
- companies that operate in a sector to which FFP is already exposed, such as automotive;
- companies that compete with, or are major suppliers or clients of, one of our investees.

TAKING ADVANTAGE OF MACRO-TRENDS

FFP focuses on companies operating in high-growth markets, which reduces its exposure to risk.

GROWTH OF THE MIDDLE CLASS IN EMERGING-MARKET COUNTRIES

The development of the middle class in emerging-market countries is likely to underpin global growth in the next few years. In 30 years' time, Africa's population will have doubled to 2.5 billion. Asia will have 5.3 billion inhabitants and Latin America around 785 million. Between now and 2050, GDP per capita is expected to quadruple in India, triple in South Africa, Indonesia and China, and double in Nigeria, Brazil and Russia. This momentum, driven by the fastest-growing segment of the population and supported by the spread of technical progress, should lead to increases in activity, consumer spending, access to healthcare and education globally.

Investees exposed to this trend:
PSA Group, LISI, SEB, Safran, IHS

POPULATION AGEING / GROWTH IN HEALTHCARE EXPENDITURE

Between 2000 and 2050, the proportion of the world's population aged over 60 is likely to double from 11% to 22%. This shift to an ageing society will require greater care facilities for older people and new services in line with social changes and scientific progress. Improvements in living standards are continuing to push up life expectancy and to drive medical research and access to healthcare, which should lead to further growth in the amounts being spent on healthcare in the next few years.

Investees exposed to this trend:
ORPEA, ArchiMed,
fonds Keensight V

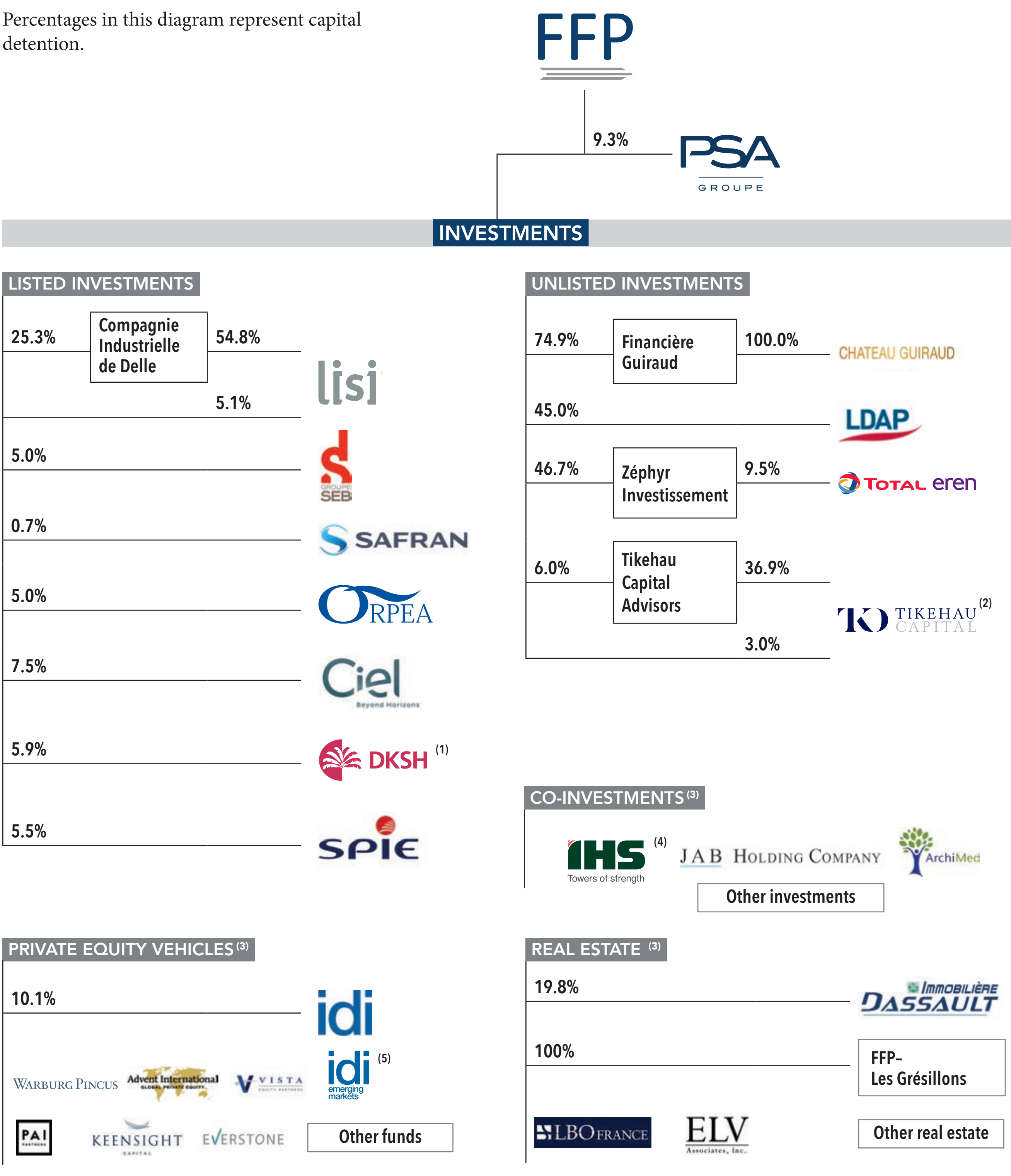
OUTSOURCED BUSINESS SERVICES

Outsourcing is a common practice among companies. Refocusing on the core business, cost-cutting, increasing efficiency or obtaining specific skills are some of the reasons why companies outsource certain functions or some of their activities to a partner.

Investee exposed to this trend:
SPIE

1.6 Shareholdings chart

Percentages in this diagram represent capital detention.



(1) FFP sold its stake in DKSH in February 2019.
(2) FFP INVEST's direct stake in Tikehau Capital is included in listed investments within Net Asset Value.
(3) Commitments to funds before 2012 were made by FFP. Since then, they have been made by FFP INVEST or FFP Investment UK Ltd, subsidiaries that are wholly owned by FFP directly or indirectly. Details of these commitments can be found on pages 123 and 124.
(4) FFP INVEST has invested in IHS partly via ECP IHS, a vehicle managed by the pan-African fund ECP, and partly via ATT, which is majority-owned by Wendel.
(5) IDI Emerging Markets consists of IDI Emerging Markets SA – which has two sub-funds in which FFP INVEST owns differing percentage equity stakes – and IDI Emerging Markets Partners–Fund III, its third investment vehicle.

1.7 Net Asset Value

(in millions of euros)	Valuation method	Reconciliation with the consolidated financial statements	Stake	Valuation	% of Gross Asset Value
PEUGEOT SA (A)	share price	R	9.3%	1,572	36%
LISI	share price	NR	5.1%	56	1%
CID (Lisi)	controlling holding company NAV	NR	25.3%	157	4%
SEB	share price	R	5.0%	284	7%
Safran	share price	R	0.7%	338	8%
ORPEA	share price	R	5.0%	291	7%
CIEL group	share price	R	7.5%	19	0%
DKSH	share price	R	5.9%	230	5%
Tikehau Capital	share price	R	3.0%	61	1%
SPIE	share price	R	5.5%	99	2%
Unlisted shareholdings	market value	NR		110	3%
Shareholdings (i)				1,646	38%
Private equity funds	adjusted realisable value	NR		247	6%
IDI	share price	R	10.1%	29	1%
Private equity vehicles (ii)				275	6%
Co-investments (iii)	market value /adjusted realisable value	NR		598	14%
Immobilière Dassault	share price	R	19.8%	69	2%
FFP-Les Grésillons	externally appraised value	NR	100.0%	19	0%
Other real estate	market value	NR		94	2%
Real estate (iv)				181	4%
Other financial assets and liabilities	share price/realisable value	NR		35	1%
Cash		R		10	0%
Other assets (v)				45	1%
GROSS ASSET VALUE OF INVESTMENTS (I)+(II)+(III)+(IV)+(V) = (B)				2,745	64%
GROSS ASSET VALUE = (A) + (B)				4,317	100%
DEBT (C)		R		571	
NET ASSET VALUE = (A) + (B) - (C)				3,746	
Net Asset Value per share				150.3 €	

RECONCILIATION WITH THE CONSOLIDATED FINANCIAL STATEMENTS

R) these valuations can be found directly in FFP's consolidated financial statements: see the full FFP Registration Document.

Together, items reconciled directly with the consolidated financial statements represent 70% of Gross Asset Value.

NR) these valuations are not found directly in FFP's consolidated financial statements, mainly because the companies are subject to consolidation rules (see the full FFP Registration Document). Investments that are not directly reconciled represent 30% of Gross Asset Value.

1.7

VALUATION METHOD

Net Asset Value (NAV) is calculated as the market value of Peugeot SA securities (A) plus the Gross Asset Value of FFP's Investments (B), less financial liabilities (C). Peugeot SA shares are valued at the period-end market price. The Gross Asset Value of Investments corresponds, on a given date, to the market value of the other assets held by FFP. It does not include capital gains tax liabilities. Several valuation methods are used, depending on the type of investment.

Period-end share price for listed assets: investments in Peugeot SA, SEB, Safran, ORPEA, CIEL, DKSH, Tikehau Capital, SPIE, IDI and Immobilière Dassault are valued at their period-end share prices.

Net asset value for unlisted intermediate holding companies: CID is valued in a transparent way on the basis of the period-end market price for LISI, without taking into account any control premium or discount;

Market value: unlisted assets and co-investments are valued either by discounting future cash flows or by applying various multiples, particularly market multiples, transaction multiples or, where applicable, multiples stated in shareholder agreements. Otherwise and where fair value cannot be measured in a reliable and appropriate manner, investments are valued at historic cost, except where the company's economic variables (operations, balance-sheet structure, liquidity etc.) have deteriorated materially (see Note 1.6 of the consolidated financial statements).

Realisable value: private equity funds and certain co-investments are valued at the realisable values determined or estimated by the private equity fund management companies, adjusted where appropriate for calls for funds or money returned between the date on which those values were determined and the date on which the Gross Asset Value of Investments is published. Most of these private equity funds use the valuation guidelines established by the International Private Equity and Venture Capital Valuation Board. UCITS included in Portfolio Investment Securities or cash and cash equivalents are also valued at the most recent realisable values disclosed.

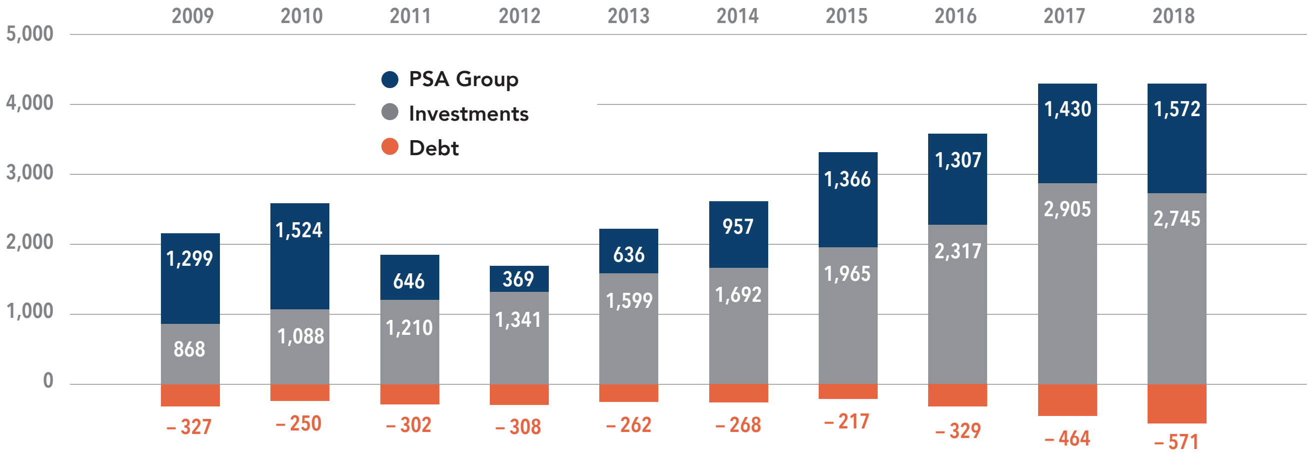
Appraised value: FFP-Les Grésillons is valued on the basis of an appraisal carried out once per year.

Historical cost: FFP's own shares held in treasury are valued at historical cost.

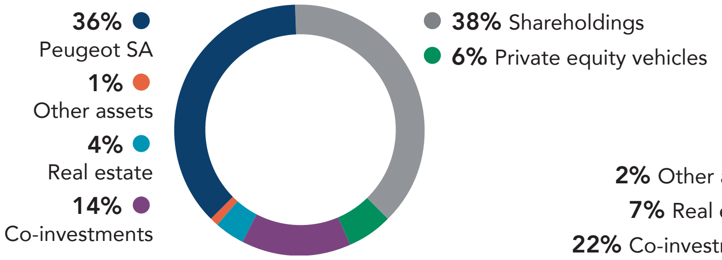
Debt is the sum of FFP's debt measured at nominal value, plus accrued interest and the time value of derivatives relating to assets.

EVOLUTION IN NAV

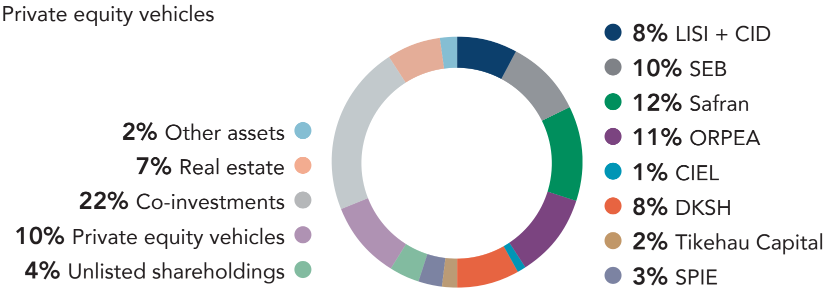
(in millions of euros)



BREAKDOWN OF ASSETS



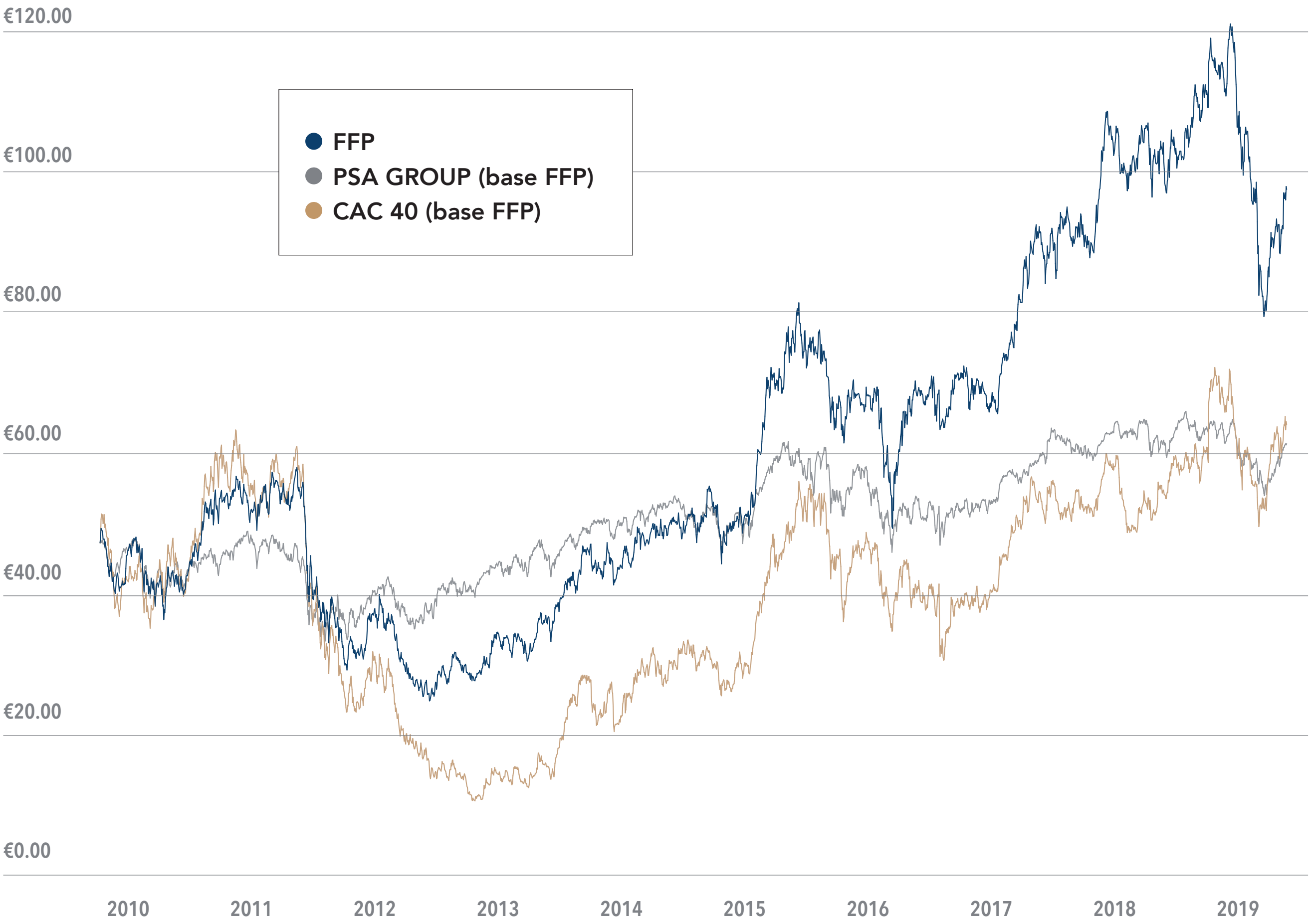
BREAKDOWN OF INVESTMENTS



1.8 Share price

PEUGEOT SHARE PRICE AND CAC 40 RELATIVE TO THE FFP SHARE PRICE

(BASE: 01/01/2010)



1.8

(in euros)	2012	2013	2014	2015	2016	2017	2018
On 31 December	29.0	42.2	50.0	68.0	72.3	100.3	80.2
High	38.7	46.0	54.0	80.0	72.8	107.1	119.4
Low	23.6	29.3	42.4	48.4	48.0	71.7	78.0
Average daily volume	9,946	9,280	6,027	6,495	5,126	7,947	6,134
Number of shares	25,157,273	25,157,273	25,157,273	25,157,273	25,072,589	25,072,589	24,922,589
Market capitalisation	729,560,917	1,061,636,921	1,257,863,650	1,710,694,564	1,811,494,555	2 514 780 677	1,998,791,638

1.9 Portfolio presentation

GROUPE PSA

BUSINESS

PSA Group is Europe's second largest car manufacturer. After the acquisition of General Motors' European business, its growth relies on five car brands – Peugeot, Citroën, DS, Opel and Vauxhall, each with its own worldwide reputation and distinct personality – as part of co-ordinated international strategies and a coherent product plan. Besides car manufacturing, PSA Group has two other major business lines: financing for car brand sales networks and customers (Banque PSA Finance), and the design and production of components and modules for automotive production (Faurecia, of which PSA Group is the majority shareholder). The group retains a 25% interest in Gefco, a transport and logistics company.

2018

In 2018, taking into account the Opel/Vauxhall acquisition, the group's sales volume increased by 6.8% relative to 2017. In Europe, the group's volume of vehicle sales increased by 30.6% relative to 2017. In China and Southeast Asia, the group's vehicle sales volumes fell 32.2% in 2018. Sales volumes fell 52.8% in the Middle East and Africa, because of the group's withdrawal from Iran.

The group's revenue totalled €74.0 billion in 2018, up 18.9% year-on-year. Revenue in the PCD (Peugeot Citroën DS) Automotive division rose 5.6% to €43.0 billion, due in particular to the success of recently launched models and an improved product mix. Revenue in the OV (Opel/Vauxhall) Automotive division totalled €18.3 billion in 2018. Faurecia's revenue rose 3.3% to €17.5 billion.

The group's recurring operating profit totalled €5.7 billion in 2018, up 43.0% compared with 2017. Recurring operating profit in the PCD Automotive division rose 21.9% year-on-year to €3.6 billion and equalled 8.4% of revenue, despite higher raw materials costs and negative exchange-rate effects. This strong performance resulted in particular from a favourable product mix and further cost-cutting. Opel/Vauxhall's recurring operating profit totalled €859 million, equal to 4.7% of revenue. Faurecia's recurring operating profit rose 9.3% to €1,263 million. The group's recurring operating margin including Opel/Vauxhall,was 7.7% as opposed to 6.4% in 2017.

Free cash flow from industrial and commercial activities amounted to €3.5 billion, including €1.4 billion from Opel/Vauxhall. The net financial position of industrial and commercial activities was positive at €9.1 billion on 31 December 2018, versus €6.2 billion on 31 December 2017. A dividend of €0.78 per share will be put to the vote in the next AGM.

After exceeding its targets as part of the "Push to Pass" plan for 2016-2018, PSA Group adopted a new target for 2019-2021, including Opel/Vauxhall, of achieving a recurring operating margin averaging over 4.5% in the Automotive division.

PSA Group also announced a new dividend policy for 2019-2021, based on an increased payout ratio of 28% from 2019 onwards.

In 2019, the group expects the auto market to be stable in Europe, to contract by 1% in Latin America and 3% in China, and to grow by 5% in Russia.

FFP'S INVESTMENT

PSA's automobile business was founded by the Peugeot family. FFP took part in the group's capital increases in 2012 and 2014.

On 31 December 2018, FFP and its majority shareholder Établissements Peugeot Frères (EPF) were one of the group's three main shareholders, with 12.2% of its share capital and 19.3% of its voting rights. FFP owns 9.3% of PSA's share capital and 14.7% of its voting rights.

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

FFP and EPF, acting in concert, are parties to an agreement[1] signed by PSA Group's main shareholders on 28 April 2014.

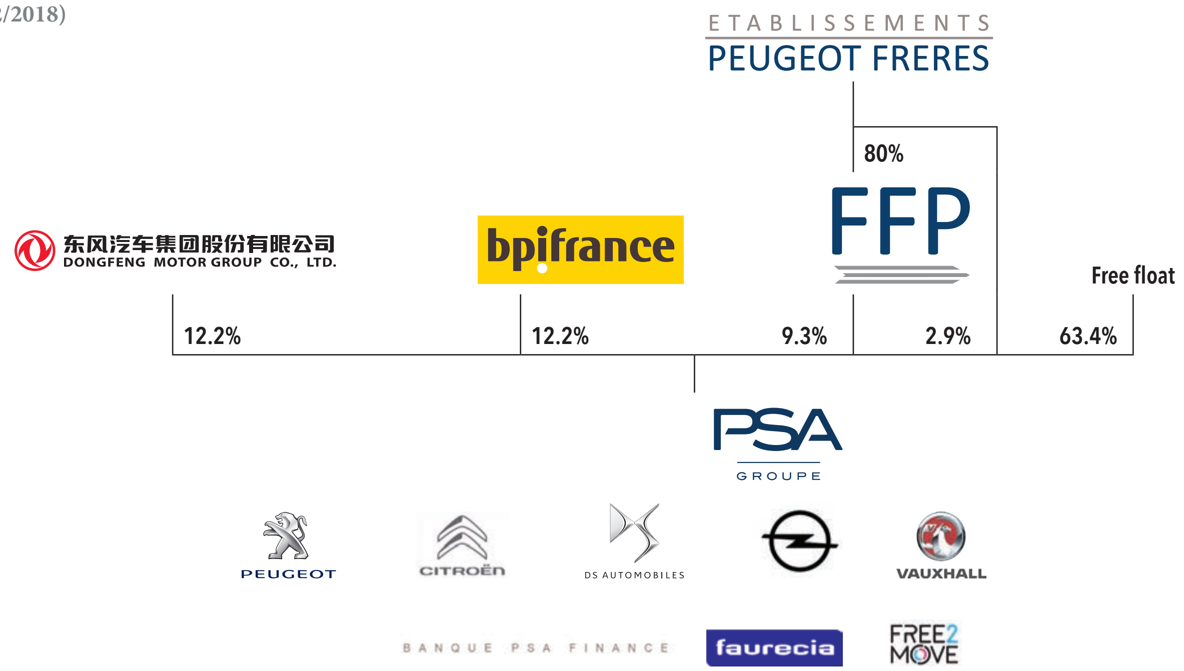
FFP and EPF, represented by Robert Peugeot and Marie-Hélène Peugeot-Roncoroni respectively, have seats on PSA Group's Supervisory Board. FFP, represented by Robert Peugeot, also chairs PSA Group's Strategy Committee and is a member of its Financial and Audit Committee. EPF, represented by Marie-Hélène Peugeot-Roncoroni, is also Vice-Chairman of the Supervisory Board, a member of the Asia Business Development Committee and a member of the Appointments, Remuneration and Governance Committee.

Frédéric Banzet, Senior Partner of FFP, is a non-voting member of the Board.

(1) The main features of shareholder agreements formed by FFP and/or FFP INVEST are set out in section 3.1.

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of euros)		2017	2018
Peugeot Citroën DS	Revenue	40,735	43,027
	Recurring operating profit	2,965	3,617
	Margin	7.3%	8.4%
Opel/Vauxhall	Revenue	7,238	18,306
	Recurring operating profit	(179)	859
	Margin	-2.5%	4.7%
FAURECIA	Revenue	20,182	17,525
	Recurring operating profit	1,170	1,263
	Margin	5.8%	7.2%
Autres	Revenue	(2,945)	(4,831)
	Recurring operating profit	35	(50)
PSA	**Revenue**	**65,210**	**74,027**
	Change	**20.7%**	**19.0%**
	Recurring operating profit	**3,991**	**5,689**
	Margin	**6.1%**	**7.7%**
	Net profit attributable to equity holders of the parent	1,929	2,827
	Net margin	3.0%	3.8%
	Net dividend (€)	0.53	0.78 (1)
	Equity	16,720	19,594
	Net cash/(debt)	6,194	9,098

(1) Proposed to the AGM.

8.4% margin

in the group's historic business (Peugeot Citroën DS)

Cash flow of

€3.5 billion

www.groupe-psa.com

LISI

BUSINESS

The LISI group is one of the world leaders in fasteners and assembly components in the aerospace and automotive industries, and has operated in the healthcare sector since 2007. LISI is an acronym for LInk Solutions for Industry.

2018

In 2018, revenue at LISI Aerospace (57% of the group's sales) totalled €934 million, down 4.6% at constant scope and exchange rates. The division was affected in particular by a slowdown in the European fasteners segment.
LISI Automotive (35% of the group's sales) saw sales growth of 14.8%, driven in particular by the acquisitions of Termax and Hi-Vol. That division saw strong growth between January and August, before suffering from the sudden slowdown in the European and Chinese markets, which affected carmakers' production rates. The division's revenue amounted to €581 million.
LISI Medical (8% of the group's sales) generated revenue of €131 million, down 2.9% at constant scope and exchange rates.
Although the aerospace business continued to account for most of LISI's recurring operating profit (71% of the total), the automotive business increased its share to 25%, partly because of the integration of Termax and Hi-Vol.
Overall, LISI's revenue totalled €1,645 million, up 0.1% year-on-year or down 2.6% at constant scope and exchange rates. Recurring operating margin was 8.2%. LISI's financial position is solid, with net debt of €339 million on 31 December 2018.

FFP'S INVESTMENT

The Peugeot family has been a shareholder of Compagnie Industrielle de Delle (CID), LISI's main shareholder, since 1977. In 1996, FFP received a 25% interest in CID as a contribution from another Peugeot family group company.

In 2002, FFP took a direct 5% holding in LISI.

On 31 December 2018, the FFP group (via wholly owned subsidiary FFP INVEST) directly and indirectly owned 19% of LISI.

FFP INVEST has signed an agreement[1] with CID's main shareholders regarding the liquidity of CID shares.

The Net Asset Value of the shareholding is based on the share price on 31 December 2018. LISI and CID are accounted for under the equity method.

Stake

19.0% (5.0% directly and 14.0% indirectly via the 25.0% stake in CID)

www.lisi-group.com

Christian Peugeot, Thierry Peugeot and Xavier Peugeot are directors of CID. CID, represented by Thierry Peugeot, is a director of LISI. Marie-Hélène Peugeot-Roncoroni and Christian Peugeot are also directors of LISI. Within LISI, Marie-Hélène Peugeot-Roncoroni is a member of the Appointments Committee and the Governance Committee, Christian Peugeot is a member of the Strategy Committee, and CID, represented by Thierry Peugeot, is a member of the Remuneration Committee and chairman of the Appointments Committee.

Acquisition
of Hi-Vol

OWNERSHIP STRUCTURE
(31/12/2018)

MAIN FIGURES

(in millions of euros)	2017	2018
Revenue	1,643	1,645
Change	4.6%	0.1%
Operating profit	171	136
Margin	10.4%	8.2%
Net profit	108	92
Net margin	6.6%	5.6%
Net dividend (€)	0.48	0.44 [2]
Equity	898	944
Net debt	300	339

(1) The main features of shareholder agreements formed by FFP and/or FFP INVEST are set out in section 3.1.
(2) Proposed to the AGM.

SAFRAN

BUSINESS

Safran is a world leader in the aerospace industry, and its main business consists of developing engines for civil aircraft. The group also produces other equipment for the aerospace, space and defence industries. Safran has leading positions in all those markets.

2018

After the acquisition of Zodiac Aerospace in early 2018 – which therefore contributed to Safran's figures for 10 months of the year – Safran's adjusted revenue was €21.1 billion, an increase of 32.0%. In organic terms, adjusted revenue growth was 10.4%. Adjusted recurring operating profit totalled €3.0 billion (14.4% of revenue), up 37.9%. Free cash flow amounted to €1.8 billion, including €92 million from the acquired Zodiac Aerospace business. Net debt was €3.3 billion on 31 December 2018.

Safran continued its CFM56-LEAP transition process in 2018. Deliveries of CFM engines (LEAP and CFM56) rose 13.6% to 2,162 units in 2018, driven by higher levels of assembly activity at aircraft makers and strong demand for CFM products. LEAP orders and intentions to purchase amounted to 3,211 units in 2018, taking the total order book to 15,620 engines on 31 December 2018.

Revenue in the Propulsion division totalled €10.5 billion, an increase of 11.7%. Recurring operating profit rose 27.2% to €1.9 billion. Recurring operating margin increased from 16.2% to 18.5%.

Revenue in the Aircraft Equipment division was €5.4 billion and recurring operating profit rose 24.4% to €770 million.

The Defence division grew its revenue by 5.3% to €1.4 billion. Recurring operating profit rose 26.9% to €118 million.

Revenue from the acquired Zodiac Aerospace business amounted to €3.8 billion. Recurring operating profit was €290 million.

FFP'S INVESTMENT

From 2006 onwards, FFP had owned a stake of more than 5% in Zodiac Aerospace and was one of its main shareholders. After assisting the company with its development for 12 years, FFP supported Zodiac Aerospace's merger with Safran.

In February 2018, FFP tendered all of its Zodiac Aerospace shares to the public exchange offer initiated by Safran. After that offer, and after investing a further €31 million in Safran shares, FFP now owns 0.7% of Safran. The shares acquired through the public offer are preferred shares that cannot be sold until February 2021.

F&P, a 50/50 joint venture between FFP and the Fonds Stratégique de Participations (FSP), has a seat on Safran's Board of Directors and is represented on the Board by its Chairman Robert Peugeot. F&P, represented by Robert Peugeot, is also a member of Safran's Audit and Risk Management Committee.

(1) Including the capital gain on the disposal of the security business.
(2) Proposed to the AGM.

Year of investment
2018

Total amount invested
€267 million

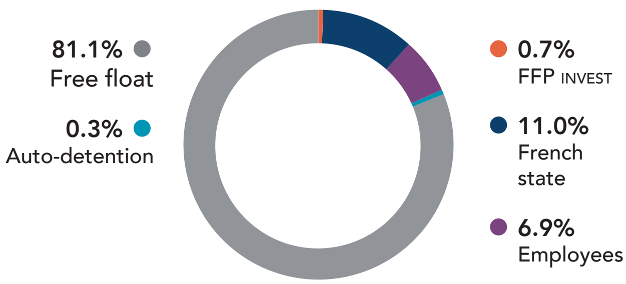
Stake
0.7%

www.safran-group.com

A short- or medium-haul civilian aircraft fitted with Safran engines
takes off every 2 seconds

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of euros, adjusted, 2017 figures adjusted in line with IFRS 15)	2017	2018
Revenue	15,953	21,050
Change	nm	32.0%
Recurring operating profit	2,192	3,023
Margin	13.7%	14.4%
Net profit attributable to equity holders of the parent	2,393 (1)	1,981
Net margin	15.0%	9.4%
Net dividend (€)	1.60	1.82 (2)
Equity	9,648	12,301
Net debt	(294)	3,269

SEB

BUSINESS

SEB began as a regional business but, following the success of the "super-cocotte" pressure cooker in France during the 1950s, it developed through a mix of organic growth and acquisitions to become a global leader in small electrical appliances. Having historically focused on two complementary markets – small home appliances and cookware – it now also has a presence in the professional coffee machine market following the acquisition of WMF (consolidated from 1 January 2017). This market position gives it a balanced set of products, brands, geographical presence and distribution channels, with e-commerce now accounting for almost 25% of sales. SEB has a number of brands – including Krups, Lagostina, Moulinex, Rowenta, Tefal, Calor, SEB, Supor and WMF – and a broad offering that includes cookware, linen and personal care, food and beverage preparation equipment, electric cookers, cleaning, home care and professional coffee machines. Today, the group sells its products in more than 150 countries, and China is its number one market. It has substantial exposure to emerging markets, which account for 44% of revenue.

2018

Despite the tougher economic environment in 2018, SEB continued to grow its business at a firm pace. Its key growth drivers remained fully effective: solid product development, a global presence – including in China where Supor is continuing to outperform in a market that remains buoyant – and a strong contribution from e-commerce.

In 2018, SEB's revenue totalled €6.8 billion, up 5.1% compared with 2017 and up 7.8% at constant scope and exchange rates. That growth is to be considered in light of strong historical growth rates, with organic growth of 6.1% in 2016 and 9.2% in 2017. Operating profit amounted to €625 million in 2018, up from €580 million in 2017. Operating cash flow totalled €552 million (€322 million in 2017). Net debt ended the year at €1,578 million, equal to 1.9x adjusted EBITDA.

+ 24.3% *organic growth in China in 2018*

Year of investment
2004

Total amount invested
€80 million

Stake
5.0%

www.groupeseb.com

FFP'S INVESTMENT

FFP first bought into SEB SA in the first half of 2004, investing €80 million for 5.0% of the capital.

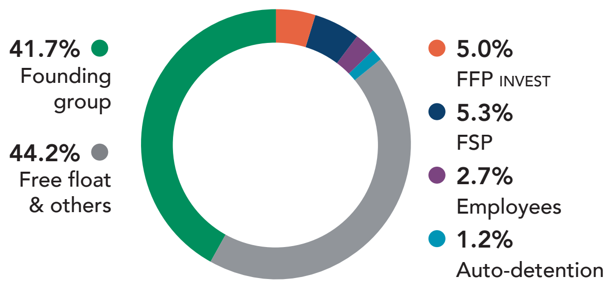
On 31 December 2018, the FFP group (via wholly owned subsidiary FFP INVEST) held 5.0% of SEB.

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

FFP INVEST, represented by Bertrand Finet, has a seat on SEB SA's Board of Directors and is a member of its Appointments and Remuneration Committee.

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of euros)	2017	2018
Revenue	6,485	6,812
Change	29.7%	5.1%
Operating profit	580	625
Margin	8.9%	9.2%
Net profit attributable to equity holders of the parent	375	419
Net margin	5.8%	6.2%
Net dividend (€)	2.00	2.14 [1]
Equity	1,964	2,307
Net debt	1,905	1,578

(1) Proposed to the AGM.

ORPEA

BUSINESS

The ORPEA group is a European leader in dependency care, operating nursing homes, post-acute and rehabilitation clinics, psychiatric care clinics and home care services (serviced residences, day care, home-based services and day-time and night-time hospital services). Founded by Dr Jean-Claude Marian in 1989, the company was floated in 2002. It operates 950 facilities in 14 countries, corresponding to 96,577 beds (including 17,388 beds in facilities under development), in Europe and recently outside Europe, and employs almost 60,000 people. ORPEA's business is supported by the long-term population ageing trend, which is producing growing demand for care facilities.

2018

In 2018, ORPEA continued its international expansion, adding 10,000 beds across its network. The proportion of the group's beds outside France has risen from 40% four years ago to 65% of the total network today, and 85% of ORPEA's beds under construction are located outside France. The group has adopted a new cluster-based organisation to support its global development.
Revenue totalled €3,420 million in 2018, an increase of 9.0%, including organic growth of 5.0%. EBITDAR amounted to €912 million, equal to 26.7% of revenue. ORPEA owns 47% of its buildings, which were valued at €5.6 billion on 31 December 2018, excluding assets in the process of being sold.
In early 2019, ORPEA announced that it was purchasing equity stakes and making acquisitions in Latin America (Brazil, Chile and Uruguay), with the aim of having 7,000 beds in that region in five years' time. In 2019, the company is aiming to grow revenue by 8.2% to €3,700 million.

+ 9%

revenue growth, including 5% organic growth

FFP'S INVESTMENT

FFP invested in ORPEA in July 2011, buying some of its shares from the founder and others on the market. FFP increased its interest in ORPEA when the latter carried out a €203 million capital increase in 2011.

On 26 July 2018, after 11 years of being a shareholder, FFP sold 550,000 ORPEA shares, representing around 0.85% of the company's equity. The shares were placed exclusively with institutional investors following an accelerated bookbuilding process at a price of €116 per share, making a total of €63.8 million.

On 31 December 2018, the FFP group (via wholly owned subsidiary FFP INVEST) held 5.0% of ORPEA. The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

FFP INVEST, represented by Thierry Mabille de Poncheville, has a seat on ORPEA's Board of Directors, is a member of its Audit Committee and chairs its Appointments and Remuneration Committee.

Year of investment
2011
Total amount invested
€115 million
Stake
5.0%

www.orpea.com

OWNERSHIP STRUCTURE

(31/12/2018)

MAIN FIGURES

(in millions of euros)	2017 [1]	2018
Revenue	3,138	3,420
Change	10.5%	9.0%
Recurring operating profit	394	428
Margin	12.6%	12.5%
Net profit attributable to equity holders of the parent	198	220
Net margin	6.3%	6.4%
Net dividend (€)	1.1	1.2 [2]
Equity attributable to equity holders of the parent	2,715	2,976
Net debt [3]	4,413	5,022
Net debt on real estate [3]	3,772	4,269
Value of real estate [3]	5,042	5,628

(1) Excluding the impact of ORNANE convertible bonds and the discounting of deferred taxes.
(2) Proposed to the AGM.
(3) Excluding the impact of assets held for sale.

DKSH [1]

BUSINESS

DKSH is the leading provider of market expansion services, particularly in Asia. It has been listed on the Swiss stock exchange since 2012, and helps companies and brands to expand their business in new or existing markets.

Although DKSH is a Swiss company with its head office in Zurich, it is deeply rooted in Asia-Pacific with a tradition of trading in the region dating back more than 150 years. With almost 800 sites in Asia-Pacific plus 25 in Europe and the Americas, spread over 35 countries, and a specialised workforce of almost 33,000 employees, DKSH connects its 1,700 clients with almost 450,000 customers (distributors, manufacturers, hospitals etc.).

The company offers a combination of marketing, procurement, sales, distribution, logistics and after-sales services. It offers clients its expertise and logistics on the ground through a comprehensive network of unmatched scale and depth in Asia, with 160 distribution centres.

Activities are organised into four specialist divisions covering DKSH's areas of expertise: healthcare, consumer goods, specialty chemicals and technology.

2018

In 2018, revenue grew by 3.1% and by 3.6% at constant scope and exchange rates. EBIT totalled CHF264 million, down 11.2% or 12.9% at constant scope and exchange rates. Excluding non-recurring items, EBIT was CHF284 million. DKSH generated CHF140.6 million in free cash flow, an increase of 0.8%.

FFP'S INVESTMENT

FFP invested €85.4 million in DKSH in 2008 alongside the founding shareholders. Part of the investment went to buy out shareholders who were looking to exit and the rest to subscribe to a capital increase to fund the company's development.

As planned in a shareholders' agreement signed at the time of the investment, DKSH floated on the stockmarket in 2012. At that time, FFP, along with the other shareholders, sold 35% of its stake for €91.4 million. In April 2013, FFP sold a 0.8% stake in DKSH for €32 million as part of a block disposal alongside other long-term shareholders.

On 31 December 2018, the FFP group (via wholly owned subsidiary FFP INVEST), held 5.9% of DKSH.

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

Robert Peugeot was a director of DKSH and a member of its Appointments and Remuneration Committee until 21 March 2019.

Year of investment
2008

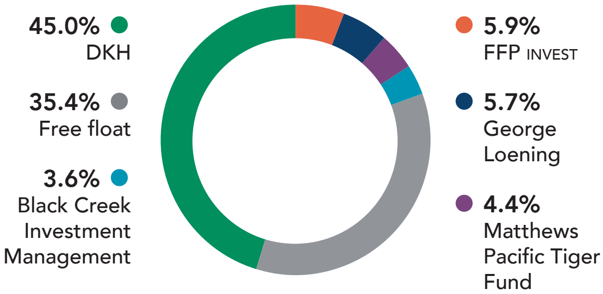
Total amount invested
€85.4 million

Stake
5.9%

www.dksh.com

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of euros)	2017	2018
Revenue	11,006	11,345
Change	4.8%	3.1%
Operating profit	297	264
Margin	2.7%	2.3%
Net profit attributable to equity holders of the parent	207	255
Net margin	1.9%	2.2%
Ordinary dividend (in CHF)	1.65	1.85 [2]
Equity	1,576	1,710
Net debt	(344)	(474)

(1) FFP sold its interest in DKSH in February 2019.
(2) Proposed to the AGM.

SPIE

BUSINESS

SPIE is Europe's leading independent provider of multi-technical services, operating in the fields of electrical, mechanical and climate engineering, communication systems and energy-related specialist services. With around 46,000 employees around the world and a strong local presence, the group helps its clients with the design, construction, operation and maintenance of energy-efficient and environmentally-friendly facilities. After the acquisition of SAG in late 2016, SPIE generates 38% of its revenue in France and 32% in Germany and Central Europe.

2018

Consolidated revenue totalled €6,671 million in 2018, an increase of 8.9%. There was a strong contribution from acquisitions (+7.0%) and organic growth (+2.6%), partly offset by negative currency effects (-0.3%) and the impact of disposals (-0.3%). SPIE's operating profit amounted to €400 million, up 3.1% relative to 2017. 116% of operating profit was converted into operating cash flow, which totalled €462 million. Free cash flow amounted to €288 million. At end-2018, net debt was €1,349 million, down €183 million year-on-year.

FFP'S INVESTMENT

FFP bought into SPIE in the fourth quarter of 2017, investing €201 million for 5.5% of the equity.
On 31 December 2018, FFP Invest owned 5.5% of the group's capital.
The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.
FFP Invest, represented by Bertrand Finet, has a seat on SPIE's Board of Directors and is a member of its Appointments and Governance Committee and Audit Committee.

122 acquisitions
since 2006

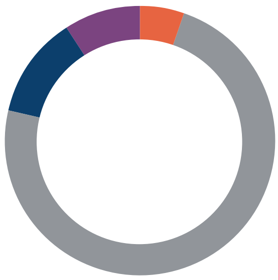
Year of investment
2017

Total amount invested
€201 million

Stake
5.5%

www.spie.com

OWNERSHIP STRUCTURE
(31/12/2018)



MAIN FIGURES

(in millions of euros)	2017	2018
Revenue	6,127	6,671
Change	24.0%	8.9%
Operating profit	388	400
Margin	6.3%	6.0%
Net profit	111	91
Net margin	1.8%	1.4%
Net dividend (€)	0.56	0.58 (1)
Equity	1,442	1,476
Net debt	1,532	1,349

1.9

(1) Proposed to the AGM.

TIKEHAU CAPITAL

Year of investment
2016
Total amount invested
€99 million

www.tikehaucapital.com

BUSINESS

Tikehau Capital was founded in 2004 by Antoine Flamarion and Matthieu Chabran, and is an asset management and investment group focusing on four asset classes: private debt, real estate, private equity and liquid strategies. The group employs more than 430 people across eight offices (Paris, London, Brussels, Madrid, Milan, New York, Seoul and Singapore).

Tikehau Capital Advisors (TCA) is the Tikehau group's parent company and owns 100% of the managing company of Tikehau Capital SCA, the group's listed investment vehicle.

2018

The group continued the rapid expansion of its asset management business, which accelerated in particular because of efforts to balance the various asset classes managed. Assets under management (AUM) totalled €22.0 billion on 31 December 2018, up 59% compared with 31 December 2017 and up 20% excluding acquisitions (Sofidy in real estate and ACE Management in private equity). The asset management business, where AUM rose to €20.4 billion, posted operating profit of €20.0 million, an increase of 25% and representing a margin of 26.6%. Adverse developments in the value of some listed assets affected earnings from the investment business, which posted a loss of €113.1 million, leading to a net loss attributable to equity holders of the parent of €107.4 million. Tikehau Capital had equity of €2.3 billion at end-2018, and the group invested €906 million in its own strategies during the year. At end-2018, the group had a gross cash position of €463 million and €796 million of debt.

The group achieved its €20 billion AUM target two years ahead of the schedule it set at the time of its IPO, and announced new targets for 2022. It is now aiming to increase AUM to over €35 billion and achieve operating profit of over €100 million from its asset management business by 2022.

FFP'S INVESTMENT

FFP INVEST invested €73 million in the Tikehau Capital group in 2016, and then a further €26 million in 2017, mainly through capital increases. These investments were made in both Tikehau Capital Advisors and Tikehau Capital.

FFP (via wholly owned subsidiary FFP INVEST) is party to a Tikehau Capital Advisors shareholder agreement [1].

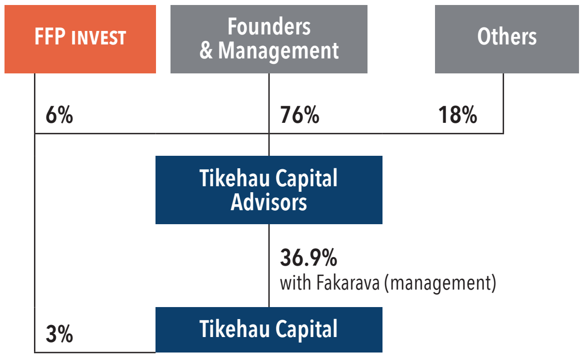
On 31 December 2018, the FFP group (via its wholly owned subsidiary FFP INVEST) owned 6.0% of Tikehau Capital Advisors' equity and 3.0% of Tikehau Capital's equity.

The value of the Tikehau Capital Advisors stake for the purposes of Net Asset Value and the consolidated financial statements is estimated using FFP's policies for valuing unlisted assets. The value of the Tikehau Capital shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

Robert Peugeot is a member of Tikehau Capital Advisors' Board of Directors and the Remuneration Committee.

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of euros)	2017	2018 [2]
Assets under management (€ billion)	13.8	22.0
Revenue	445.2	35.4
Operating profit from asset management activities	16.0	20.0
Operating profit from investing activities	347.3	-113.1
Net profit attributable to equity holders of the parent	314.4	-107.4
Dividend per share (€)	1.00	0.25 [3]

+ 20% *increase in assets under management in 2018, excluding acquisitions*

Acquisitions of Sofidy (real estate) and ACE (private equity)

(1) The main features of shareholder agreements formed by FFP and/or FFP INVEST are set out in section 3.1.
(2) 2018 assets under management include the acquisitions of Sofidy and ACE Management, which took place in mid-December (€5.5 billion).
(3) Proposed to the AGM.

TOTAL EREN

Year of investment
2015
Total amount invested
€28 million
Stake
4.5%

www.total-eren.com

BUSINESS

Total Eren (formerly Eren Renewable Energy) was founded by Pâris Mouratoglou and David Corchia and is based in Paris. It is an independent producer of electricity that develops, finances, builds and operates renewable energy facilities internationally. Working with leading local partners, the company is establishing positions in high-potential emerging-market countries, in diverse geographical areas that have major wind or solar resources and are seeing growing energy demand.

Since 2012, Total Eren has put together a diverse portfolio of assets (wind, solar and hydro) around the world, representing gross capacity of more than 1.6 GW in operation or under construction. Total Eren is also developing a number of projects with total gross capacity of 2.0 GW, and intends to achieve overall net installed capacity of at least 3 GW by 2022.

In December 2017, Total acquired an indirect stake of 23% in Total Eren. The agreement between Total and Total Eren also provides that Total may take control of the company after a 5-year period.

2018

Total Eren continued to develop its projects in 2018. For example, it started construction work on the largest solar photovoltaic (PV) facility in the state of Victoria, Australia (257 MWp) and won new projects in Brazil, taking its gross capacity in operation or under construction in that country to 140 MWp. Also in 2018, Total Eren brought into service its first solar PV facility in Argentina, where it has 180 MWp of capacity in operation or under construction. The company significantly expanded its business in Eastern Europe and Central Asia in 2018, completing the development of a wind farm in Ukraine (250 MW) and starting work on a solar facility in Kazakhstan (28 MWp).

In February 2019, Total Eren announced that it had signed an agreement to acquire NovEnergia Holding Company, which has a portfolio of renewable energy assets (wind, solar and hydro), mostly located in Portugal but also in Italy, France, Spain, Bulgaria and Poland.

FFP'S INVESTMENT

In October 2015, FFP, via its wholly owned subsidiary FFP INVEST, committed to invest €28 million as part of Total Eren's €195 million fundraising. The first €14 million tranche of FFP's commitment was drawn in 2015 and the second €14 million in May 2017.

FFP INVEST is party to a shareholder agreement [1]. FFP INVEST's investment is taking place through a joint venture with Tikehau Capital, called Zéphyr Investissement, which owns 9.5% of Total Eren. Zéphyr Investissement is 46.7%-owned by FFP and 53.3%-owned by Tikehau Capital.

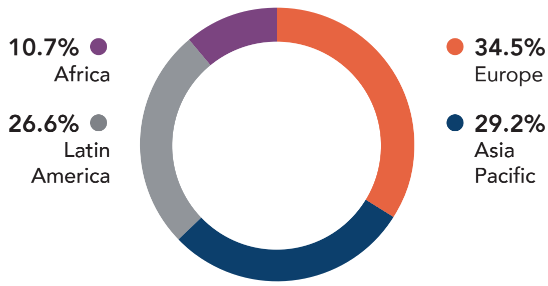
The value of Total Eren for the purpose of Net Asset Value was estimated using FFP's policies for valuing unlisted assets. Zéphyr Investissement is accounted for under the equity method in the consolidated financial statements.

FFP INVEST, represented by Marie Ahmadzadeh, has a non-voting seat on Total Eren's Board of Directors.

1.9

BREAKDOWN OF NET CAPACITY [2]

(31/12/2018)



(1) The main features of shareholder agreements formed by FFP and/or FFP INVEST are set out in section 3.1.
(2) Net capacity corresponds to Total Eren's share of each project.

CIEL

Year of investment
2014

Total amount invested
€16 million

Stake
7.6%

www.cielgroup.com

BUSINESS

The CIEL group is a family-owned conglomerate, listed in Mauritius and also operating in Asia and Africa. Since it began its operations in the sugar industry in 1912, the group has diversified into textiles, hospitality, healthcare and finance. It currently has 35,000 employees. The group has been listed on the Official Market of the Stock Exchange of Mauritius since January 2014.

2018

Net Asset Value per share fell in 2018, and the investment portfolio was valued at MUR15,392 million on 31 December 2018.

FFP'S INVESTMENT

In 2014, FFP subscribed to the CIEL group's reserved rights issue for €16 million, giving it a 7.6% stake in the company. The capital increase was intended to fund the group's development in the Indian Ocean and Africa.

On 31 December 2018, the FFP group (via its wholly owned subsidiary FFP INVEST) held a 7.6% equity interest.

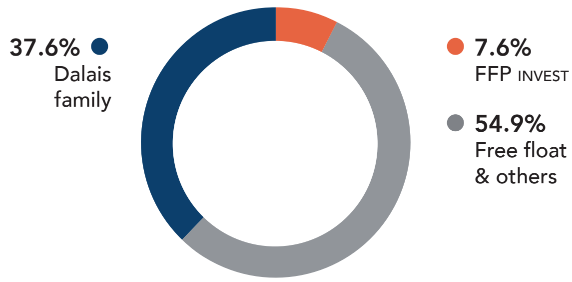
FFP INVEST is party to a shareholder agreement[1].

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

Sébastien Coquard is a member of CIEL's Board of Directors and Strategy Committee.

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of MUR)	30/06/2018 [2]	31/12/2018 [2]
Revenue	22,608	12,678
Operating profit	2,953	1,814
Margin	13.1%	14.3%
Net profit	442	317
Net margin	2.0%	2.5%
Dividend (MUR per share)	0.20	-
Equity	24,748	24,748
Net debt	15,498	15,452

(1) The main features of shareholder agreements formed by FFP and/or FFP INVEST are set out in section 3.1.
(2) Period ended 30/06. Figures at 30/06/2018 are therefore for a full year, and those on 31/12/2018 are for the first half of the 2018-2019 financial year.

CHÂTEAU GUIRAUD

BUSINESS

Château Guiraud is a maker of Sauternes wine that is designated as "Premier Grand Cru" according to the 1855 classification. The 128-hectare estate contains 103 hectares of vineyards. Production levels vary depending on the vintage, but average 150,000 bottles of Sauternes per year including 100,000 bottles of premier cru wine, plus 200,000 of dry white wine. FFP and its partners are seeking to achieve the very best quality and are developing Château Guiraud's commercial presence, particularly outside France, to support its wines' reputation for excellence among leading international connoisseurs. This policy is already producing excellent media coverage and some of the best tasting ratings. In 2012, for example, Château Guiraud's 2009 vintage was ranked fifth in US magazine *Wine Spectator*'s 100 best wines in the world. In 2014, its 2011 vintage ranked 12th in the same magazine's top 100 wines.

2018

Château Guiraud joined forces with Nicolas Lascombes to open a restaurant in the château's grounds in early 2018.

In financial terms, revenue rose 12% to €5 million in 2018, after increasing 15% to €4.4 million in 2017.

A hailstorm in July 2018 destroyed almost all of that year's grape harvest, and so no 2018 Premier Cru wines will be bottled.

Year of investment
2006
Stake
74.9%

CHÂTEAU GUIRAUD

www.chateauguiraud.com

FFP'S INVESTMENT

FFP invested in Château Guiraud alongside partners specialising in the wine sector. Together, they set up Financière Guiraud SAS, which in July 2006 acquired 100% of the shares in SCA Château Guiraud.

The FFP group (via wholly owned subsidiary FFP INVEST) owns 74.9% of Financière Guiraud SAS.

The value of Financière Guiraud SAS for the purposes of Net Asset Value and the consolidated financial statements is measured using FFP's policies for valuing unlisted assets. Financière Guiraud SAS is fully consolidated in FFP's financial statements.

FFP INVEST, represented by Robert Peugeot, is chairman of Financière Guiraud SAS and a member of its Supervisory Board.

1.9

LDAP

BUSINESS

FFP formed a partnership with the family-owned group Louis Dreyfus Armateurs (LDA) to found LDAP. LDA is a French maritime group that has been operating for more than 160 years in carrying dry bulk by sea and in providing maritime industrial services. LDAP, a company in which the FFP group holds a 45% stake (via its wholly owned subsidiary FFP INVEST), purchased 5 new Handysize freighters. They are of B-Delta 40 design, an innovative, fuel-efficient model. Most of the vessels were delivered in the second half of 2015. This fleet is managed by LDA, which is in charge of its fit-out and commercial operation.

FFP'S INVESTMENT

On 31 December 2018, the FFP group (via its wholly owned subsidiary FFP INVEST) held a 45% equity interest in LDAP.

Year of investment
2013
Total amount invested
$24 million
Stake
45.0%

LDAP

www.lda.fr

FFP has invested a total of $24 million. FFP INVEST is party to a shareholder agreement (1).

The value of LDAP for the purpose of Net Asset Value was estimated using FFP's policies for valuing unlisted assets. LDAP is accounted for under the equity method in the consolidated financial statements.

FFP INVEST, represented by Bertrand Finet and Sophie Vernier-Reiffers, is a member of LDAP's Executive Committee.

(1) The main features of shareholder agreements formed by FFP and/or FFP INVEST are set out in section 3.1.

IDI

BUSINESS

IDI is an investment company that has been listed since 1991. IDI invests on its own account and on behalf of third parties, with activities including buyouts and development capital in France, mainly via the parent company (own balance-sheet investments), and funds of funds and development capital in emerging countries via IDI Emerging Markets (third-party funds).

2018

IDI's NAV rose 6.73% in the first nine months of 2018. During that period, IDI carried out a number of disposals: (i) it sold Idinvest Partners in April (IRR of 90%), XO Hôtel in March (IRR of 10%) and Ambre Délice in July (IRR of 36%) and (ii) agreed the sale of Albingia, which was completed in December.

FFP'S INVESTMENT

In 2006, following the merger between IDI, Euridi and Marco Polo Investissements, FFP owned 5.0% of IDI. In 2007, FFP increased its stake by investing €15.5 million as part of a capital increase.

On 31 December 2018, the FFP group (via its wholly owned subsidiary FFP INVEST) held a 10.1% equity interest.

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

FFP INVEST, represented by Sébastien Coquard, is vice-chairman of IDI's Supervisory Board and a member of its Audit Committee.

Year of investment
2006

Amount invested
€25.7 million

www.idi.fr

OWNERSHIP STRUCTURE

(31/12/2018)

MAIN FIGURES

(in millions of euros)	30/06/2018
Net Asset Value per share (€)[(1)]	€56.93
First-half net profit	33.8

PRIVATE EQUITY FUNDS

On 31 December 2018, FFP's investments in the private equity funds were valued at €247 million [(2)], representing 9% of the Gross Asset Value of FFP's Investments and 5.7% of FFP's total Gross Asset Value.

FFP has been making commitments to private equity funds since 2002. This asset class allows FFP to invest in a large number of companies and business sectors, taking a long-term approach. It also gives FFP exposure to sectors and geographical zones that would be hard for it to access directly.

FFP's portfolio consists mostly of buyout (LBO), development capital and technology growth capital funds, which invest in Europe, the United States and emerging-market countries (India, China, Africa and the Middle East, along with markets in which IDI Emerging Markets invests).

Since 2014, the aim has been for the portfolio to have geographical exposure to the following three regions: North America (45-50%), Europe (35-40%) and emerging markets (15-20%). Alongside the main strategy in this asset class, which is to support the LBO and growth capital teams in the three regions concerned, FFP also invests in adjacent asset classes such as technology growth capital and impact investing. FFP makes co-investments alongside certain funds.

(1) NAV attributable to the limited partners, taking into account potential dilution from the bonus share plan of 30 December 2016.
(2) Excluding co-investments and real-estate funds.

2018 was a very busy year for the private equity business. FFP committed almost €122 million to several new funds, including €53 million to buyout (LBO) funds and around €69 million to technology growth capital and impact funds.

In the United States, FFP committed $15 million to the Webster Capital IV fund, $15 million to the Quad V fund and $15 million to the K4 fund.

In Europe, FFP made commitments to LBO funds: €15 million to the FAPI III pan-European fund and €12 million to the French fund Astorg VII. FFP also made commitments to a technology growth capital fund (€20 million to French fund Keensight V) and to a venture capital fund (€15 million to Idinvest Digital III). FFP invested €3 million in the French impact fund Alter Equity II.

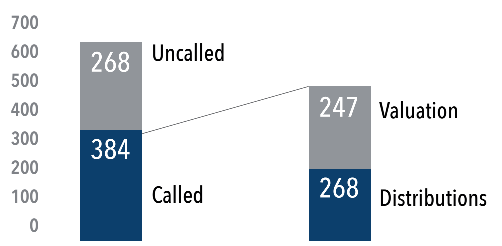
Finally, FFP subscribed $20 million to the global technology growth capital fund Warburg Pincus Global Growth.

In 2018, calls for funds amounted to €70 million. Funds carried out a number of disposals, leading to distributions of around €33 million in 2018.

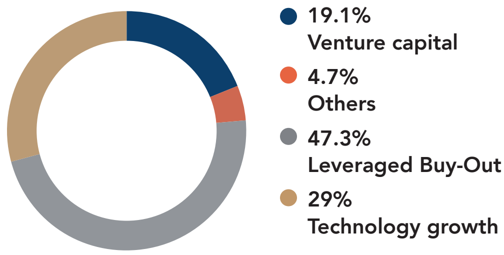
Commitments made in 2018	Amount	Strategy	Region
Webster Capital IV	$15 million	Buyout	United States
FAPI III	€15 million	Buyout	Europe
Quad V	$15 million	Buyout	United States
K4	$15 million	Technology growth	United States
Alter Equity II	€3 million	Impact	Europe
Keensight V	€20 million	Technology growth	Europe
Warburg Pincus XIII	$20 million	Technology growth	Global
Idinvest Digital III	€15 million	Venture capital	Europe
Astorg VII	€12 million	Buyout	Europe

KEY FIGURES RELATING TO PRIVATE EQUITY FUNDS

(in millions of euros)



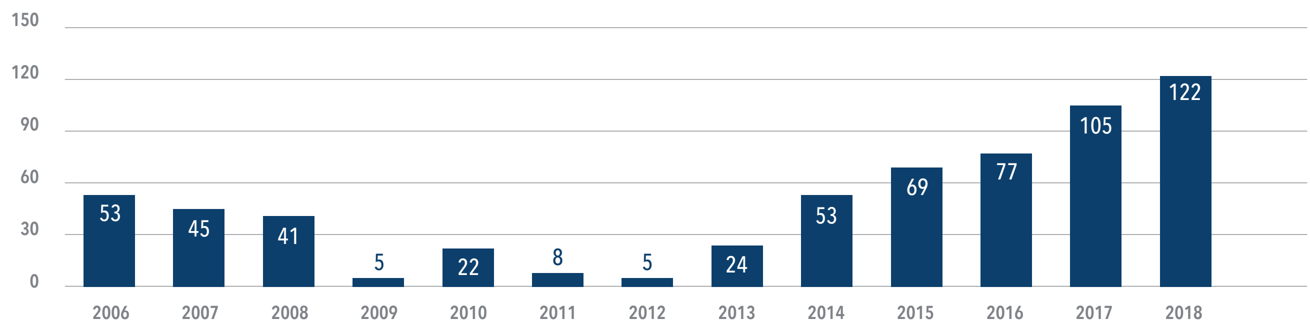
EXPOSURE (1) (2) BY TYPE OF FUND



1.9

NEW COMMITMENTS

(in millions of euros)



(1) When calculating Net Asset Value, FFP values funds at their reported realisable value. For the large majority of funds, that value is calculated using rules established by the International Private Equity & Venture Capital Valuation Board. In FFP's consolidated financial statements, the total amount of commitments (called and uncalled capital) is recorded in the balance sheet.

(2) Exposure is the sum of the valuation and uncalled commitments.

JAB

Years of investment 2016, 2017, 2018 **Total amount invested** $330 million	JAB HOLDING COMPANY

www.jabholco.com

BUSINESS

JAB Holding is a group majority-owned by the Reimann family, the historical family shareholder of the Reckitt Benckiser group. Since 1981, JAB Holding has grown under its Chairman Peter Harf, who was later joined by Bart Becht, Olivier Goudet and around 10 partners. JAB Holding's strategy is to select and invest in leading producers of consumer goods and branded products (mass consumer products, food and beverages, and cosmetics) and to work with the best management teams in order to maximise growth and long-term value creation.

Since 2012, JAB Holding has, with the support of a number of co-investors, carried out several acquisitions in three main sectors: (i) mass consumer hot and cold non-alcoholic beverages (Acorn Holdings), (ii) fast food, bakery and coffee shop chains (Pret Panera Holding Company) and (iii) snacks and treats (Krispy Kreme). In the course of a few years, the group has become the world's second-largest player in the coffee market and its third-largest non-alcoholic beverage group, and has created a network of restaurants and cafés with more than 4,500 outlets under well-known brands in the United States and Europe.

$25 billion

combined sales for the subsidiaries to which FFP is exposed

Keurig Dr Pepper is

the world's third-largest non-alcoholic beverages group

Jacobs Douwe Egberts is

the world's second-largest coffee group

2018

In 2018, JAB Holding and its subsidiaries carried out several acquisitions and saw a number of major developments, including:

- the merger between Keurig Green Mountain and Dr Pepper Snapple Group in July, which made JAB Holding the world's third-largest player in the non-alcoholic beverages sector;
- the acquisition of Pret A Manger and its 450 restaurants, and the acquisition of Insomnia Cookies in the United States, bolstering its snacks and treats segment;
- in operational terms Jacobs Douwe Egberts continued to win market share in the mass consumer coffee sector, particularly after launching its first Nespresso-compatible aluminium capsules under the L'Or brand and announcing an exclusive partnership with the Illycaffè brand for 2019.

Keurig Dr Pepper, after its merger with Keurig Green Mountain, announced the acquisition of Big Red, Forto and Core Nutrition, and entered into a partnership agreement with Danone to be the exclusive distributor of Évian mineral water through its North American distribution network.

FFP'S INVESTMENT

FFP made a commitment to co-invest $50 million alongside JAB Holding in December 2016, then a further $150 million in December 2017, to support its growth strategy in the consumer goods sector. These co-investments give FFP exposure to a diverse portfolio of assets in the non-alcoholic beverage sector, particularly coffee (Jacobs Douwe Egberts, Keurig Dr Pepper), bakery and restaurant chains (Panera, Pret A Manger, Einstein Noah, Caribou, Espresso House, Baresso) and snacks and treats (Krispy Kreme and Insomnia Cookies).

In 2018, FFP invested an additional $130 million in Acorn Holdings to continue supporting the group's expansion strategy in the beverages sector following its acquisition of Dr Pepper Snapple Group. That investment increased FFP's exposure to Jacobs Douwe Egberts, Keurig Dr Pepper and Peet's Coffee & Tea.

IHS

Years of investment
2013, 2014, 2016

Total amount invested
$78 million

Towers of strength

www.ihstowers.com

BUSINESS

IHS was founded in 2001 and is the EMEA region's leading player in telecom tower infrastructure for mobile telecoms operators. It is well positioned to benefit from strong growth in infrastructure requirements across Africa. The group operates in all parts of the sector's value chain, with activities including construction, rental, management and maintenance of telecom towers.

2018

From its initial base in Nigeria, IHS has expanded through acquisitions and now also operates in Cameroon, Ivory Coast, Zambia, Rwanda. It will soon expand into Kuwait through a deal to acquire 1,600 towers from Zain, which is currently being completed. After that transaction, IHS will manage almost 25,000 towers and have almost 2,000 direct employees.

FFP'S INVESTMENT

FFP has invested $78 million through four capital increases. After an initial investment of $5 million in 2013 alongside the Emerging Capital Partners (ECP) fund, FFP invested a further $10 million in early 2014 then $60 million in November 2014, including $50 million alongside Wendel, which is IHS' main shareholder and holds 21.3% of its voting rights.

Acquisition of Zain,

Kuwait's leading mobile telecoms operator

ARCHIMED

Year of commitment
2018

Total amount committed
€80 million,
which may be doubled,
out of a target fund size of €800 million

ArchiMed

www.archimed-group.eu

1.9

BUSINESS

ArchiMed is an independent investment firm based in Lyon. It was founded in 2014 and acts as a strategic financial partner for European companies in the healthcare sector. ArchiMed has raised the small-cap funds Med I in 2014 (€146 million) and Med II in 2017 (€315 million), and has put together a 25-strong investment team.

In 2018, ArchiMed launched a new mid-cap investment vehicle called MED Platform 1, which aims to accelerate the growth of European companies selected because of the quality of their management team and market position, as well as their potential to expand internationally and take part in sector consolidation. MED Platform 1 will invest between €50 million and €300 million in each of 4-6 selected platform companies with enterprise values of over €100 million.

MED Platform 1 is managed by four partners: Denis Ribon, a well-known investor in the healthcare sector and co-founder of ArchiMed in 2014, Antoine Faguer, investor and entrepreneur, and Benoît Adelus and André-Michel Ballester, who have both successfully managed and developed several mid-cap healthcare companies.

2018

ArchiMed completed MED Platform 1's first close in October 2018, raising more than half of the fund's target of €800 million.

FFP'S INVESTMENT

In 2018, FFP committed to invest up to €80 million in MED Platform 1 out of a target fund size of €800 million, with the potential to double its exposure by co-investing in companies of its choice, taking its maximum commitment to €160 million.

ROOMPOT

Netherlands-based Roompot develops, owns and operates holiday villages and campsites. It is the leading player in the Dutch market, where it owns properties mainly along the coast, and also operates to a lesser extent in Belgium and France. Its complexes attract almost 560,000 reservations per year, equivalent to 11.7 million nights of accommodation. In 2018, Roompot's revenue totalled €355 million.

Investment date
2016
Amount committed
€11 million
Partner
PAI Partners

AMAWATERWAYS

AmaWaterways is a family-controlled company that has been organising luxury river cruises, mainly in Europe and for English-speaking holidaymakers, since 2002. AmaWaterways operates 23 vessels that sail on the Danube, Rhine, Moselle, Main, Rhône, Seine and Garonne rivers, along with waterways in Belgium and the Netherlands, the Douro, the Mekong in Southeast Asia and the Chobe in Africa.

Investment date
2017
Amount invested
$25 million
Partner
Certares

LINEAGE

Lineage is North America's second-largest logistics group specialising in cold-chain solutions for the agri-food industry, mainly producers and wholesalers but also mass retailers. The company operates more than 110 sites in 20 US states, along with 17 in Europe, with almost 9,000 employees. Its offers extend beyond deep freeze storage (-15°C to -40°C) and include value-added services including deep freezing, repackaging, outsourced order management and logistics. Lineage generated more than $1.4 billion of revenue in 2018.

Investment date
2017
Amount invested
$25 million
Partner
BayGrove

CAPSA

Capsa Healthcare is a leading US producer of several types of medical equipment, serving healthcare providers such as hospitals, clinics, nursing homes and pharmacies. The company designs, produces and sells medication carts (with or without mobile IT hardware), sterile preparation workstations and automated drug management systems. Capsa is the result of a series of acquisitions carried out by its management since 2008, with the support of an American family and then Levine Leichtman Capital Partners.

Investment date
2017
Amount invested
$18 million
Partner
Levine Leichtman Capital Partners

CIPRÉS

Ciprés Assurances, founded in 2000, is now France's second-largest wholesale insurance broker and 15th largest insurance broker overall. The group designs and manages health and death/disability insurance solutions for entrepreneurs and SMEs. Ciprés Assurances offers a comprehensive range of products and services to protect customers' incomes, preserve their wealth, protect their health and safeguard them against life's accidents. It distributes them through a network of 7,000 independent brokers across France. Through Axelliance Conseil, the group also offers a range of products and services for large corporate customers.

In 2018, Ciprés Assurances generated revenue of €148 million and its annual premium collection was €530 million (proforma figures taking into account the combination with Axelliance in 2018).

Investment date
2017

Amount invested
€15 million

Partner
Apax Partners

BIG BOTTLING COMPANY

Big Bottling Company produces and distributes carbonated and non-alcoholic beverages in Nigeria. Its main product is BIG (cola, lemon and orange flavours). The company was created when the AJE group – one of the largest multinationals in the beverages sector with a presence in more than 20 countries in South America, Africa and Asia – spun off its Nigerian division.

Big Bottling Company directly employs 250 people at its plant near Lagos and its target production volume is around 23 million cases per year.

Investment date
2018

Amount invested
€10 million

Partner
IDI Emerging Markets SA

ASMODEE

Asmodee, founded in 1995, produces and distributes board games and collectible cards. It is a world leader in its sector, with a presence in Europe, North America and China and almost 1,000 employees. Asmodee has a catalogue of 3,000 games and launches almost 300 new games each year. In 2018, Asmodee generated revenue of €419 million, of which 80% came from outside France.

Investment date
2018

Amount invested
€20 million

Partner
PAI Partners

IMMOBILIÈRE DASSAULT

Stake
19.7%

www.immobiliere-dassault.com

BUSINESS

Immobilière Dassault is a SIIC (French listed real-estate investment company) that has a portfolio of high-quality properties, mainly located in the centre and inner suburbs of Paris.

Acquisition of a 95% *stake in CPPJ*
Portfolio consisting mainly of retail properties, particularly in Passage Jouffroy in Paris

2018

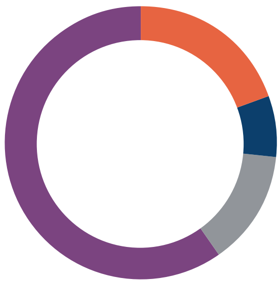
In the last few years, Immobilière Dassault has pursued its policy of focusing on prime office and retail properties. In 2018, it acquired 95.09% of CPPJ, a company that owns a top-quality portfolio consisting mainly of retail properties, particularly in Passage Jouffroy, located close to the "Grands Boulevards" in the 9th arrondissement of Paris between Passage des Panoramas and Passage Verdeau. The assets acquired through this strategic transaction had a total appraised value of €145 million. Immobilière Dassault also continued its value-enhancement policy in 2018, starting renovation work on some of its properties.

At constant scope, rental income fell 13.97% year-on-year to €13.8 million in 2018, and the occupancy rate was 85.34% (87.02% including the Passage Jouffroy properties). The decline was caused by redevelopment works taking place in several buildings, which temporarily affected rental income and cash flow but should eventually generate higher revenues and asset values.

The increase in the value of the company's portfolio (excluding transfer duties) positively impacted operating profit by €21.3 million in 2018. Net profit totalled €29.9 million. Management will propose an ordinary dividend of €1.24 per share to shareholders in the AGM.

OWNERSHIP STRUCTURE

(31/12/2018)



MAIN FIGURES

(in millions of euros)	2017	2018
Appraisal value of the real-estate portfolio	496	669
Net Asset Value per share (€)	54	57
Net profit	29	30
Dividend per share (€)	1.24	1.24 (1)

FFP'S INVESTMENT

In the first half of 2006, FFP and the Dassault family decided to transfer part of their real-estate assets to Immobilière Dassault.

FFP INVEST owns 19.7% of Immobilière Dassault.

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price on 31 December 2018.

FFP INVEST, represented by Christian Peugeot, is a member of Immobilière Dassault's Supervisory Board.

(1) Proposed to the AGM.

REAL ESTATE

STRATEGY

FFP invests in value-add real-estate and property development projects, via real-estate funds and co-investments alongside trusted partners with a strong track record.

Since 2015, FFP has joined forces with several European families to make occasional co-investments in real-estate projects in the United States. Projects are put together and managed by a team of US professionals within ELV Associates, which was founded in 1991. Projects mainly involve residential property development, but also include office and retail properties.

FFP also invested €10 million in LBO France's White Stone VI fund in 2015. The fund has a value-add investment strategy and targets diversified transactions, in France, with a value of between €20 million and €100 million.

In 2016, FFP invested €10 million alongside LBO France and other family shareholders in the OPCI Lapillus II real-estate fund, which acquired Tour Marchand in the business district of La Défense in Paris. FFP INVEST is represented on the OPCI's Board of Directors by Sébastien Coquard..

2018

In 2018, FFP invested €15 million in LBO France's White Stone VII fund. This fund also has a value-add investment strategy and targets diversified transactions in France.

FFP continued its partnership with ELV, investing a further $37 million in six real-estate projects in Washington, Atlanta, Charleston, Savannah and Fairfield. The first disposal, completed in Atlanta for $5 million, produced an annualised return of 22%.

ELV Associates, Inc.	Since 2015	**Total amount committed**	€81 million
		Market	United States
		Strategy	Property development / Value-add
OCPI Lapillus II – Tour Marchand	Since 2016	**Amount invested**	€10 million
		Market	France
		Strategy	Core+ co-investment / Value-add
White Stone VI	Commitment in 2015	**Amount committed**	€10 million
		Market	France
		Strategy	Value-add real-estate fund
White Stone VII	Commitment in 2018	**Amount committed**	€15 million
		Market	France
		Strategy	Value-add real-estate fund

1.10 Workforce-related, environmental and social information

FFP's ambition is to contribute, as a minority investor and responsible long-term shareholder, to its investees' value creation by combining economic development, social progress and efforts to minimise environmental impacts.

FFP strongly believes that taking into account environmental, social and governance (ESG) issues creates opportunities, and enhances the effectiveness and performance of its direct and indirect shareholdings.

As a minority shareholder, the company is not involved in the operational management of its listed or unlisted investees. However, FFP is represented in investees' governance bodies by having members on their Boards of Directors or Supervisory Boards. In this context, the company seeks to fulfil its responsibilities by ensuring that ESG issues are factored into investees' risk management and development, through constant dialogue with their management teams.

INVESTING RESPONSIBLY

With respect to its investments, FFP is committed to contributing in a responsible way to the long-term financing of the economy, and is gradually factoring ESG criteria into all of its asset classes.

SUPPORTING INVESTEES OVER THE LONG TERM

FFP's long-term commitment distinguishes it from other investors. Each investment decision is taken with a long-term view, with no prior constraints regarding exit, and the average period of ownership for its investees has so far been more than 10 years. FFP has a long-term commitment to maintaining dialogue with management, supporting new acquisitions and capital expenditure and fostering innovation, with the aim of realising each investee's value-creation potential.

FACTORING ESG INTO THE INVESTMENT LIFECYCLE

For each investment project, teams analyse the relevant ESG factors. The resulting data are analysed with the same priority as financial information, to inform the investment decision and reduce extra-financial risk.

DIRECT INVESTMENTS

FFP works to ensure that its investees comply with all standards and regulations at the national and international levels. It also checks that companies have identified their ESG issues and integrated them into the way they manage risk. ESG due diligence is carried out on a case-by-case basis, depending on the company's profile.

INDIRECT INVESTMENTS

When making commitments to private equity funds, FFP factors ESG criteria into its process for analysing and monitoring funds.

- In the due diligence phase, an ESG questionnaire, based on market best practice, is sent to asset management companies.
- When subscribing to a fund, FFP includes a specific ESG clause in the legal documentation.
- During the fund's life, FFP encourages its partner asset management companies to integrate ESG criteria into their activities and those of their investee companies.

FFP has also invested in impact funds.

IMPACT INVESTING

As a responsible investor, FFP has since 2015 invested in several impact funds, which combine positive social and environmental impact with sustainable financial returns.

In this area, FFP has formed solid long-term partnerships with three asset management teams: Alter Equity, Amboise Partners and Impact Partenaires.

The total amount of commitments made by FFP to these partner funds is €8 million.

APPLYING EXCLUSION PRINCIPLES

FFP does not invest directly or via funds in controversial activities such as gambling, pornography or tobacco.

BEING A RESPONSIBLE SHAREHOLDER

PROMOTING RESPONSIBLE GOVERNANCE

FFP sits on the Boards of Directors or Supervisory Boards of its investee companies and plays an active role in the work done by boards and committees.

For FFP, responsible and engaged governance is based on strict rules ensuring that powers and counterweights to those powers are transparent and balanced. Analysing the quality of governance plays a central role in all of FFP's investment decisions.

If FFP sees a breach of those rules, it takes action with respect to investees' governance bodies and initiates dialogue with the management teams. FFP strongly believes that exemplary governance enhances a company's performance and risk management.

MAKING A COMMITMENT ALONGSIDE INVESTEES

Being a long-term investor also means supporting companies when they experience difficulties. FFP is a constant source of active support, and shares risk with its investees. As part of that approach, FFP is committed to supporting and assisting companies where economic or financial circumstances demand and/or allow it.

CONTRIBUTING TO A POSITIVE ECONOMY

FFP also aims to help finance the economy through its investment strategy. FFP works to stimulate growth among its direct and indirect investees, in order to support job creation in France and abroad.

DEVELOPING FFP'S ESG APPROACH

THE RESPONSIBLE INVESTMENT CHARTER

FFP has a Responsible Investment Charter that formally sets out the principles described above. The charter sets out the aforementioned FFP values and is the reference framework for the day-to-day work and actions of all staff and managers, in accordance with regulations in force. The charter is available on the FFP website.

STEERING COMMITTEE

FFP has its own operational ESG steering committee. The committee brings together representatives of all the company's functions, i.e. Executive Management, the Legal Department, the Investment Department, the Financial Department and the Communication Department. It co-ordinates FFP's approach, makes ESG criteria an integral part of FFP's activities and business lines, and disseminates and shares best practice within the group.

The Steering Committee held two workshops in 2018: one relating to FFP's business model and the second relating to risk management, including extra-financial risks.

In 2018, members of the Management Committee attended a half-day session including a presentation of a sector best practice benchmark and compliance programmes, along with a review of the responsible practices of FFP's direct and indirect investees.

CSR QUESTIONNAIRES

To monitor the development of CSR (Corporate Social Responsibility) indicators among its investees and ensure that they comply with current rules, FFP requires them to fill in a CSR questionnaire every year.

In 2018, FFP continued the process for its direct and indirect investees. A brief presentation of the main CSR issues and highlights is set out in this Registration Document.

CREATING VALUE

As a responsible investor and shareholder, FFP seeks to create value for society. It aims to create economic and financial value (profits, shareholder value, innovation), but also workforce-related and social value (skills, wellbeing, local development) and environmental value (reducing carbon footprints, investing in renewable energies). FFP fulfils its commitments by:

- investing over the long term;
- assisting the development of investee companies and creating indirect jobs;
- supporting the development of SMEs via its private equity business;
- contributing to the economic development of emerging-market countries through its investments in funds of funds;
- supporting social entrepreneurs by investing in impact investing funds.

MAKING USE OF THE FFP ECOSYSTEM

FFP regularly engages in dialogue with its key stakeholders throughout the year: investees, staff, asset management companies, shareholders and co-investors, banks, advisors and market authorities. The quality of these relationships means that FFP can conduct constructive discussions based on trust and transparency.

ESG AT LISTED INVESTEES

As listed companies, PSA Group, SEB, Safran, LISI, ORPEA, SPIE, Tikehau Capital and Immobilière Dassault provide exhaustive information about their CSR approaches in their respective publications. CIEL, listed on the Official Market of the Stock Exchange of Mauritius, has a CSR approach, but it is not regulated in France.

The information below illustrates the main features of the responsible approaches taken by FFP's listed investees in 2018. The information was obtained from answers to the questionnaire sent by FFP to all investees, and from their respective publications.

GROUPE PSA

CSR APPROACH

General CSR practice

PSA Group has had a CSR approach for many years. The group takes into account social, workforce-related and environmental changes within its ecosystem, and adjusts its strategy and adopts action plans as appropriate. The group's CSR commitment has become an integral part of its strategy.

It has a CSR materiality matrix, which was revised in 2017. This has allowed PSA Group to devise a global roadmap for achieving sustainable development goals relating to climate change, scarce resources, human health and wellbeing, unequal economic development between regions, human rights and breaches of ethical rules, human capital development, and customer expectations and market risks. By 2035, PSA Group intends to provide solutions to all 23 issues identified. It is a member of leading CSR indexes such as FTSE4Good and Stoxx.

Business ethics

a. Compliance with the Sapin II act

The compliance and internal control organisation has been strengthened with the appointment of new compliance officers and the introduction of a new whistleblowing system. The group has bolstered its anti-corruption efforts, publishing and globally implementing an anti-corruption code that forms part of its internal rules, preparing a risk map, and introducing a policy of due diligence with respect to its partners (including suppliers, customers, entities with which it co-operates, intermediaries and advisors).

b. Duty of care

The group takes reasonable care to identify and prevent risks in all parts of its value chain, distinguishing between (i) the activities of the company and those of the companies it controls, directly or indirectly and (ii) the activities of subcontractors or suppliers with which an established commercial relationship exists.

PSA Group has initiated risk mapping, action to prevent or mitigate serious breaches of management-defined policies regarding CSR issues, whistleblowing mechanisms allowing people to disclose the existence and realisation of risks, and a system for monitoring actions taken and measuring their effectiveness.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Integration of Opel/Vauxhall into the group's extra-financial reporting

After acquiring Opel/Vauxhall in September 2017, PSA Group rapidly integrated Opel/Vauxhall into its CSR reporting process covering the 23 material issues defined as priorities. In 2018, the group started to consolidate Opel/Vauxhall's CSR data, and the process was externally audited. Final certification of the data is expected in February 2019.

Responding to and anticipating regulatory developments

In 2017, PSA Group took early action to prepare a declaration of extra-financial performance before it became a statutory requirement. As a result, the declaration underwent few changes in 2018, especially since PSA Group has always assessed risks and analysed their materiality when carrying out extra-financial reporting.

In October 2018, a legislative amendment introduced additional requirements relating to the declaration of extra-financial performance regarding food waste and efforts to combat food insecurity, respect for animal welfare, and efforts to combat corruption and tax evasion.

For the most part, PSA Group has already published information on these matters voluntarily, in its CSR report or elsewhere. Where the information already published by the group needed to be supplemented, additional information was added to meet the new requirements in 2018.

The changes can be seen in the 2018 Registration Document and CSR report.

The group is also committed to meeting international standards such as the SASB standard for the automotive industry, which was made official in 2018, and the recommendations of the TCFD (Task Force on Climate Related Financial Disclosure): the group was the first carmaker to commit to meeting those recommendations within three years of August 2018.

In addition, the group is the first company to produce an integrated report in video form, which will be presented to shareholders at the AGM.

Maintaining dialogue with stakeholders

In 2018, PSA Group's Chairman initiated a series of face-to-face conversations with high-level experts on the seven key trends that will shape mobility in the future.

These conversations, which began during the Paris Motor Show in 2018, allowed Carlos Tavares to reflect more broadly when devising the company's future strategy. All the conversations were filmed in a fully transparent way and made available to the public as they took place, on the group's website and on social media.

Adopting a strategy to address climate change issues

Energy transition is the key issue for PSA Group. To achieve that transition as effectively as possible, the company has strengthened its CO_2 governance, particularly by creating a CO_2 Corporate Committee, which is chaired by Carlos Tavares and meets every month.

This enables the group to anticipate impacts on technologies, products, jobs and partnerships. For example, anticipating changes in the business arising from energy transition – i.e. a major shift in the vehicle mix from diesel and petrol to electric – PSA Group has chosen to adopt a vertically integrated approach with production based in France. The group's powertrain plants will produce components for its future hybrid and electric vehicles.

The strategy is taking place through various partnerships, as in the partnership with Punch Powertrain in 2018, which is intended to create a joint venture to produce electric transmissions at the Metz plant.

The group's actions and decisions have been acknowledged by third parties such as rating agencies and the Carbon Disclosure Project (CDP), which have recognised PSA Group as a leader in terms of energy transition. In particular, the group has been ranked as a leading player in the automotive sector within the Dow Jones Sustainability Index and by the Vigeo agency, and is on the CDP A List.

Governance indicators

	2017	2018
Proportion of directors who are independent	50%	50%
Proportion of Supervisory Board members who are female	46%	46%
Existence of a Board CSR Committee	There is no specific CSR committee. Given that the group's social and environmental responsibilities are fully factored into its strategy, each committee and the Supervisory Board itself are required to take decisions on these matters. As regards executive bodies, CSR issues are handled by members of the Executive Committee and factored into their activities. The group's major CSR issue relates to CO_2 emissions. The Supervisory Board deals with this matter when it examines the group's strategic plan, for example. The group has chosen not to isolate CSR issues from the rest of the business.	
Integration of CSR criteria in the variable remuneration of executives	The following criteria were used in 2017 targets: quality, customer satisfaction and safety at work (PSA Registration Document 2017, p. 286).	The following criteria were used in 2018 targets: quality, customer satisfaction, safety at work and diversity (increasing female representation) (PSA Registration Document 2017, p. 126).
Existence of a Board ethics committee	Yes	Yes

Ethics and human rights	2018
Updates/changes to business ethics procedures	PSA's Anti-Corruption Code has been deployed in 34 countries, including for Opel/Vauxhall employees with the exception of those in Germany, where the former Integrity Code was maintained in 2018. The group code will be rolled out to Germany in 2019.
Updates/continuation of the human rights policy	PSA Group maintained its human rights policy in 2018, for both its own activities and those of its suppliers.

Social indicators

	2017	2018
Number of permanent employees	80,502 (automotive division)	109,878 (automotive division)
Absenteeism rate	3.1% (illness)	4% (illness)
Proportion of employees who completed a training module	70%	75% (Peugeot Citroën DS: 85%, Opel/Vauxhall: 55%) Training management system adopted for Opel/Vauxhall in late 2018.
Number of supplier CSR assessments	40,000 suppliers assessed by a third party (Ecovadis).	50,000 suppliers assessed by a third party (Ecovadis).
Proportion of employee-shareholders	2.03% of the capital is owned by almost 59,200 group employees (past or present)	1.86% of the capital is owned by 50,985 group employees (past or present)
Expenditure on corporate philanthropy	In 2017, PSA Group Foundation spent €2.3 million on general-interest initiatives: 58% to promote integration, 33% to promote education and culture and 9% to support disabled people	Total €7.4 million. In 2018, PSA Group Foundation spent €2.14 million on general-interest initiatives: 57% to promote integration and 43% to promote education and culture. The group's sites, brands and subsidiaries spent €5.27 million on philanthropic activities (not measured in 2017).

Environmental indicators

<table>
<tr><th></th><th>2017</th><th>2018</th></tr>
<tr><td>Introduction of targets for reducing the carbon footprint over the medium to long term</td><td colspan="2">The scorecards in the 2017 CSR report show the group's long-term ambitions. Its short-term targets and results can also be seen in those tables.

Vehicle CO_2 emissions: target for 2035 (PSA 2017 Registration Document, p. 44)
Reduce average CO_2 emissions by vehicles sold around the world by 55% compared with 2012, to be achieved through:
– plug-in hybrid electric vehicles;
– a new range of electric vehicles;
– a range of high-performance engines and lighter vehicle platforms.

Production CO_2 emissions: target for 2050 (PSA 2017 Registration Document, p. 189)
Ensure that the group's plants are carbon-neutral (i.e. have zero CO_2 emissions) by:
– using renewable energies, mostly through self-energy supply;
– coffsetting residual emissions (reselling surplus energy produced, developing forests etc.).

Logistics CO_2 emissions: target for 2035 (PSA 2017 Registration Document, p. 189)
Reduce CO_2 emissions for each vehicle transported by 33% between 2016 and 2035 (i.e. by 2.1% per year, in accordance with the Paris Agreement), mainly by limiting intercontinental flows, promoting a regional organisation for group activities and optimising the transport model (routes, modes of transport, filling rates and packaging).

Supply chain CO_2 emissions: target for 2035 (PSA 2017 Registration Document, p. 162)
Always include suppliers in the process of meeting the group's environmental targets by:
• selecting suppliers that meet the group's environmental requirements (including guarantees of compliance and transparency in their own supply chain) to achieve an average supplier score of 50/100 in terms of environmental factors (EcoVadis assessment);
– selecting strategic and essential suppliers (including providers of logistics services);
– selecting suppliers based on their CO_2 trajectories regarding compliance with the Paris Agreement (COP21);
• selecting suppliers based on their suggestions for helping the group to achieve its circular economy targets (replacement of materials and recycling).</td></tr>
<tr><td>Adoption of CO_2 emissions reduction targets validated by a scientific method</td><td>Scope 1 and 2 targets (manufacturing and logistics) in accordance with the Paris Agreement, were validated by the SBT Initiative in 2016.</td><td>Scope 1 and 2 targets (manufacturing and logistics) in accordance with the Paris Agreement, were validated by the SBT Initiative in 2016. Following the integration of Opel/Vauxhall into manufacturing activities, PSA Group's emissions profile has changed considerably, particularly with the arrival of three combined heat and power plants, requiring previous trajectories to be completely revised. The new trajectory will be submitted to the SBT Initiative. It will remain compatible with the Paris Agreement and will enable the group to become carbon-neutral by 2050.</td></tr>
<tr><td>Greenhouse gas emissions Scope 1 and 2</td><td>0.6 million tonnes of CO_2 equivalent, of which 0.56 for Peugeot Citroën DS's automobile production business.</td><td>1.3 million tonnes of CO_2 equivalent, of which 0.57 for Peugeot Citroën DS's automobile production business and 0.70 for Opel/Vauxhall.</td></tr>
<tr><td>Scope 3 greenhouse gas emissions</td><td>33.7 million tonnes of CO_2 equivalent in Europe.</td><td>81.5 million tonnes of CO_2 equivalent in Europe.
75% of Scope 3 emissions relate to product usage. Most of the difference is explained by the large volume of Opel/Vauxhall vehicles, which produce more emissions than Peugeot Citroën DS vehicles on average.</td></tr>
</table>

Circular economy	2017	2018
% of waste recovered/recycled	Waste recovery rate: 83% (excl. metals) 96.8% (incl. metals)	Waste recovery rate: 87% (excl. metals) 97.0% (incl. metals)
Eco-design approach/developments	45.4% of all cars sold covered by LCAs	55.8% of all cars sold covered by LCAs (Life cycle analyses)

▸ **More details on PSA Group's commitments can be found on its website.**

LISI

CSR APPROACH

Overall CSR practices

LISI is a French company that specialises in making fasteners and components. It is taking a methodical ISO 26000-based approach, continuing to adapt to changes in society and the economy and to achieve a better understanding of how these issues can influence its decision-making.

In this way, LISI intends to manage its extra-financial risks more effectively, make a collective but also individual commitment to continuous improvement, promote best practice and have a positive impact on the economy, society and the environment. LISI has signed the United Nations Global Compact and intends to achieve sustainable development alongside its partners, by respecting people and adopting realistic solutions that fit with its values and scale.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Introduction of a CSR approach based on ISO 26000

In 2018, LISI worked hard to adopt an approach consisting of defining its values as well as the CSR issues faced by the group and its divisions, identifying all its stakeholders and determining the expectations of interested parties.

This work, which took place within the CSR Steering Committee, allowed LISI to rank the issues in its first materiality matrix and to put together an overall CSR strategy.

Human resources policy

In 2018, LISI introduced its "Learning Management System", offering e-learning-based training courses This enabled it to roll out Code of Conduct training courses on a wide scale and to train teams on how to conduct performance appraisals.

To clarify the role that managers must play in digital transformation and to develop team spirit, supervisors were offered an "Industry 4.0 management and involvement" training course. The LISI Knowledge Institute now plays a strategic role in staff development but is also a key tool for retaining and attracting high-potential staff members.

HSE policy

After numerous initiatives to reduce risks to the health of its employees, LISI is seeing an improvement in performance regarding health. As regards safety, the group has reduced the frequency of workplace accidents. This improvement is accompanying the ongoing implementation of the LISI Excellence HSE programme, which has resulted in new management tools.

Governance indicators

	2017	2018
Proportion of directors who are independent	28.6%	29%
Proportion of directors who are female	36%	43%
Existence of a CSR Committee	No	Yes
Integration of CSR criteria in the variable remuneration of executives	Information not provided [1]	Yes
Existence of an Ethics Committee	Information not provided [1]	Yes (Compliance Committee)

Ethics and human rights	2018
Updates/changes to business ethics procedures	Training sessions on business ethics and efforts to combat corruption (in collaboration with the Transparency International NGO) Deployment of the anti-corruption code of conduct Management of the whistleblower system with protection for whistleblowers (tests)
Updates/continuation of the human rights policy	Mapping of risks at suppliers LISI is a signatory of the Global Compact

(1) The information requested had not been provided by the issuer at the time of publication of FFP's Registration Document.

Social indicators

Workforce-related/social	2017	2018
Number of permanent employees	11,958	12,131
Absenteeism rate	3.5%	3.45%
Number of training hours	Information not provided (1)	> 16,000
Number of options outstanding at end-2018	Information not provided (1)	456,270

Environmental indicators

Climate/environment	2017	2018
Introduction of targets for reducing the carbon footprint over the medium to long term		3% reduction in energy consumption between 2018 and 2020
Greenhouse gas emissions Scope 1 and 2	116,772 tonnes of CO_2	Information not provided (1)
Scope 3 greenhouse gas emissions	398,480 tonnes of CO_2	Information not provided (1)

Circular economy	2017	2018
Proportion of waste recovered/recycled	95.5% of waste sorted	92.5% of waste sorted Proportion of waste that can be recovered: 62.3%

▸ **More details on LISI's commitments can be found on its website.**

SAFRAN

CSR APPROACH

Overall CSR practices

Safran is an international technology group operating in the fields of propulsion systems and equipment for the aerospace, space and defence industries, and its CSR policy is based on business ethics.

Safran has a specific plan of action developed with its various stakeholders to identify risks, prevent serious breaches of human rights and thus meet its duty of care requirements. This approach covers all Safran companies, the companies it controls and its suppliers and their subcontractors.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Overhaul of the CSR chapter as part of the declaration of extra-financial performance

In order to simplify its Registration Document, Safran overhauled its CSR chapter for 2018. CSR issues are cross-referenced with the associated risks, and the structure of the CSR chapter is based on a new approach to mapping issues based on the group's workforce-related, social and environmental responsibility. Also in 2018, Safran adjusted the CSR criteria taken into account when determining the variable remuneration of its CEO.

Deployment of the duty of care plan

Safran has deployed its duty of care plan, particularly as regards suppliers, prevention and efforts to combat corruption. In 2018, Safran made preparations to deploy its global framework agreement on "working conditions, corporate social responsibility and sustainable development", signed in late 2017.

(1) The information requested had not been provided by the issuer at the time of publication of FFP's Registration Document.

Governance indicators

	2017	2018
Proportion of directors who are independent	53.8%	58.3% [(1)]
Proportion of directors who are female	40%	42.8% [(1)]
Existence of a Board CSR Committee	No	No
Integration of CSR criteria in the variable remuneration of executives	Yes	Yes
Existence of a Board Ethics Committee	No	No

Ethics and human rights	2018
Updates/changes to business ethics procedures	Integration of Zodiac Aerospace. Completion of the Code of Conduct. Update to the MOOC dealing with preventing the risk of corruption and breaches of export control rules.
Updates/continuation of the human rights policy	Identification of suppliers in high-risk countries (source: Verisk Maplecroft), "human rights" questionnaire sent to identified suppliers to supplement the signature of the Responsible Purchasing Charter.

Social indicators

Workforce-related/social	2017	2018
Number of permanent employees	55,408	Information not provided [(2)]
Absenteeism rate	4% (France), stable between 2015 and 2017	2.6% (world excluding Zodiac Aerospace)
Proportion of employees who completed a training module	81	83
Proportion of employee-shareholders	7.4%	6.87%
Expenditure on corporate philanthropy	€350,000	€350,000

Environmental indicators

Climate/environment	2017	2018
Introduction of targets for reducing the carbon footprint over the medium to long term	No group target, but discussions began in late 2017.	In 2018, Safran set up a low-carbon project to determine targets for reducing GHG emissions and implement methods to achieve this aim.
Adoption of CO_2 emissions reduction targets validated by a scientific method	No (see comment above)	The targets studied by Safran are inspired by the recommendations of the Science Based Targets (SBT) initiative. Safran has used the modelling tools available under the SBT methodology to determine long-term trends.
Greenhouse gas emissions Scope 1 and 2	Scope 1: 3.3 tonnes of CO_2 equivalent/employee Scope 2: 4.9 tonnes of CO_2 equivalent/employee (see 2017 Registration Document)	Scope 1: 3.3 tonnes of CO_2 equivalent/employee Scope 2: 4.55 tonnes of CO_2 equivalent/employee
Scope 3 greenhouse gas emissions	Scope 3 relates only to business air travel Scope 3: 41,566 tonnes of CO_2 equivalent (see 2017 Registration Document)	Information not provided [(2)]
Waste recovery	0.64 tonne/employee	0.81 tonne/employee

▸ **More details on Safran's commitments can be found on its website.**

(1) At 7 February 2019.
(2) The information requested had not been provided by the issuer at the time of publication of FFP's Registration Document.

SEB

CSR APPROACH

For many years, SEB has been using an approach that is ethical, economically profitable, socially fair and environmentally responsible. Since 2013, SEB's corporate social responsibility policy has been part of the Nominations and Remuneration Committee's remit. SEB's Steering Committee has the task of defining and overseeing short- and medium-term action plans addressing the group's five priority sustainability issues:

- ensuring compliance with the group's ethical principles;
- maintaining a socially responsible policy;
- pursuing a commitment to being a good corporate citizen;
- constantly innovating to meet consumer expectations;
- reducing environmental impact.

Between 2017 and 2018, the Sustainable Development Department helped define the group's sustainable development strategy for the coming years. The main aspects of that policy are as follows: respect for people and social usefulness, efforts to combat climate change, healthy and tasty food for all, a better quality of life in the home regardless of age or health, and innovation in relation to the circular economy.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Employee welfare

In 2018, the group started the global roll-out of an employee welfare system based on death benefit insurance, medical care and support for parents.

All employees, regardless of the country in which they live and their hierarchical level, will enjoy SEB's basic benefits. The system will be rolled out gradually between now and 2020, with death benefit insurance being effective for all employees from 1 January 2019, except at WMF, where it will come into force in January 2020.

SEB also reviews its insurance policies regularly in order to supplement and/or improve the cover provided. In 2017, medical cover was extended in several countries, including Poland, Ukraine and Canada.

Introduction of a global training programme relating to the Code of Ethics

The implementation of SEB's Code of Ethics in 2012 was supported by almost 10,000 hours of training. In 2018, the group held a new training campaign to ensure that each employee is fully familiar with the Code's key concepts and knows what action to take when confronted with an ethical dilemma. More than 9,600 SEB employees took part in an e-learning programme consisting of six modules, including a theory section followed by a quiz and a practical example of an employee facing an ethical problem. For employees with no internet access, an equivalent classroom-based training programme will be organised in 2019, led by site HR heads and managers.

To make the training programme as realistic as possible, it was developed jointly by several group departments: Sustainable Development, Training, Human Resources, Quality Standards and Environment, Audit and Internal Control, Purchasing, Legal, and Health and Safety. The programme forms part of the mandatory training that all of the group's new employees must undertake.

Validation of low-carbon targets

Since 2016, SEB has been part of the Science Based Targets (SBT) initiative organised by the WWF alongside the UN Global Compact, the WRI (World Resources Institute) and the CDP (Carbon Disclosure Project) to combat climate change. The project encourages large global corporations to bring their greenhouse gas emission reduction targets into line with the IPCC's recommendations for limiting the increase in the Earth's average temperature to less than 2°C between now and the end of the century.

In 2018, SEB defined its own short- and long-term SBT targets, validated by the SBT initiative. They have replaced the previous 2020 targets and include the following:

- **2023:** a 40% reduction in greenhouse gas emissions per item produced (in tonnes of CO_2 equivalent, scope 1 and 2, reference year 2016);
- **2050:** carbon neutrality (all greenhouse gas emissions resulting from product manufacturing fully offset).

Governance indicators

	2017	2018
Proportion of directors who are independent	33%	33%
Proportion of directors who are female	43%	46%
Existence of a Board CSR Committee	No	No
Integration of CSR criteria in the variable remuneration of executives	No	Yes
Existence of a Board Ethics Committee	No, but presence within the Appointments and Remuneration Committee	No, but presence within the Appointments and Remuneration Committee

Ethics and human rights	2018
Updates/changes to business ethics procedures	SEB's first ethical requirement is to apply the laws in force in each country in which it operates. SEB also complies with international rules established by the UN and in particular abides by the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization (ILO) and the OECD's guidelines for multinational enterprises. It is also a signatory of the UN Global Compact and the APPLiA code of conduct. The group's tangible commitments in the human rights field put it among the top 1% companies in the world according to the "Entreprises et droits de l'homme : les risques de la négligence" ("Companies and human rights: the risks of negligence") study published in late 2018 by the extra-financial ratings agency Vigeo-Eiris. This study, published to mark the 70th anniversary of the Declaration of Human Rights, covers companies in 60 countries and 38 sectors, analysing their performance between April 2016 and October 2018. RESPONSIBLE PURCHASING: SEB acknowledges its great responsibility for ensuring that its products are made in ethical conditions. It has a responsible purchasing policy that includes disclosure and control arrangements, to make sure that its suppliers meet its ethical, social and environmental requirements. SEB has steadily strengthened this policy since 2012. It is the subject of a roadmap shared by the Purchasing and Sustainable Development Departments. The policy is implemented by teams that have received training in responsible purchasing: the theme is covered in the various training sessions and events held by its Purchasing community, such as web forums that are organised regularly around specific themes. RESPONSIBLE PURCHASING CHARTER: The Responsible Purchasing Charter, which is an extension of the group's Code of Ethics, is available in French, English, German, Chinese, Spanish and Portuguese. It is sent to all listed suppliers, setting out the group's requirements in terms of the human rights and its ethical, social and environmental principles, with efforts to combat corruption receiving a special mention. 90% of suppliers have signed the charter or are regarded as compliant with the group's requirements because of their own policies in this area. ANTI-CORRUPTION: This theme is an integral part of the global Code of Ethics that applies to all employees. This Code stipulates in particular that SEB formally prohibits any form of corruption in its relationships with trading and institutional partners and with government bodies. No rewards – either financial or in kind – may be given to obtain an advantage, and no such rewards may be received in return for favouring any company or person. The group has also been a signatory of the United Nations Global Compact – whose 10th principle relates to anti-corruption efforts – since 2003. The analysis work carried out by the Audit and Internal Control Department covers the risk of fraud and corruption. Given the economic context in which SEB's subsidiaries operate, the main risks relate to purchasing processes (passive corruption of purchasers) and selling processes (active corruption of customers' employees). The risks in both sets of processes are mitigated by specific rules, compliance with which is checked when subsidiaries are audited. For the vast majority of subsidiaries, their customers are retailers (which often number several hundred) with which they deal directly, without any intermediary.

Updates/continuation of the human rights policy	In 2012, as part of its efforts to ensure that its commitments under the Code of Ethics are met, the group set up a whistleblowing system to allow any employee or person outside the group to respond to a situation that breaches the Code's principles. Suppliers are also informed about the system through the Responsible Purchasing Charter. The system is supplemented by a whistleblowing procedure, which has recently been updated. It sets out in detail the steps that must be followed by whistleblowers, the people to contact, the information to provide, the way in which alerts are treated, the confidentiality rules and the protection afforded to whistleblowers to the extent that they act in a disinterested way and in good faith. The procedure is explained in SEB's new Code of Ethics training programme and can be accessed by employees on the group intranet. Respect for human rights is an integral part of SEB's Code of Ethics and training on this subject is provided to its human resources managers around the world. Having signed the Global Compact in 2003, the group decided in 2007 to assess the human rights practices used by staff in its subsidiaries consisting of more than 10 people. Until 2014, it used the HRCA (Human Rights Compliance Assessment) Quick Check tool, devised by the Danish Institute of Human Rights, and for the sites of its Chinese subsidiary Supor, the CBSSC (China Business and Social Sustainability Check) tool. These self-assessments were performed approximately every two years, covering almost 99% of staff, and supported SEB's improvement process. In 2015, the SEB group reached a new milestone by applying the same ethics, social and environmental audit system that it applies to its suppliers (WCA - Workplace Condition Assessment) to its manufacturing sites in risky areas, with the support of the same specialist firm Intertek. The audits are carried out every three years, and are accompanied by action plans to address any instances of non-compliance. Sites with a compliance score of less than 70% must undergo a follow-up audit. Action plans are submitted to the Sustainable Development Department. It shares the action plans with the Industrial Department (and Health, Safety and Environment officers), the Human Resources Department and the Audit and Internal Control Department, enabling them to check that they are implemented. An annual summary of audit results is also sent to the Executive Committee. This audit system, shared with the group's suppliers, allows the group to establish external comparisons and generate audits that customers can inspect. In 2018, six sites were audited in the Czech Republic, India, China and Brazil. The average compliance score was 80.7%, and no instances of "zero-tolerance" non-compliance were found.

Social indicators

Workforce-related/social	2017	2018
Number of permanent employees	30,943 [(1)]	32,690 [(1)]
Absenteeism rate	Worldwide 4.0%	Worldwide 4.2%
Proportion of employees who completed a training module	Excluding Supor and EMSA, almost 84% of group employees completed at least one training module.	Average number of training hours per employee = 19, i.e. around 2.7 days of training per employee in 2018, excluding WMF and EMSA
Number of supplier CSR assessments	177 initial audits	173 initial audits
Expenditure on corporate philanthropy	€2.60 million	€2.90 million

(1) Staff on permanent, fixed term and similar contracts (permanent contracts do not exist in some countries such as China).

Environmental indicators

Climate/environment	2017	2018
Introduction of targets for reducing the carbon footprint over the medium to long term	Information not provided	See next question
Adoption of CO_2 emissions reduction targets validated by a scientific method	Information not provided	Carbon reduction targets validated by the Science-Based Targets initiative: In 2016, in line with its desire to contribute more to the fight against climate change, the SEB group joined the Science Based Targets (SBT) initiative organised by the WWF alongside the UN Global Compact, the WRI (World Resources Institute) and the CDP (Carbon Disclosure Project). The initiative encourages large global corporations to bring their greenhouse gas emission reduction targets into line with the IPCC's recommendations for limiting the increase in the Earth's average temperature to less than 2°C between now and the end of the century. As a result, in 2018, SEB defined its own short- and long-term SBT targets, validated by the SBT initiative. They have replaced the previous 2020 targets and include the following: • 2023: a 40% reduction in greenhouse gas emissions per item produced (in tonnes of CO_2 equivalent, scope 1 and 2, reference year 2016); • 2050: carbon neutrality (all greenhouse gas emissions resulting from product manufacturing fully offset). To improve its environmental efforts, the group is also working with the WWF, which is helping it as part of the partnership with Rowenta and on several specific projects, such as the initiative to adopt a formal eco-packaging policy in 2018.
Greenhouse gas emissions Scope 1 and 2	218,426 tonnes of CO_2 equivalent (figure updated after a review of greenhouse gas emission factors)	218,851 tonnes of CO_2 equivalent
Scope 3 greenhouse gas emissions	Transport: 205,596 tonnes of CO_2 equivalent	Transport: 228,744 tonnes of CO_2 equivalent

Circular economy	2017	2018
% of waste recovered/recycled	Waste recovery rate: 78% (recycling + energy recovery) (2017 recycling and recovery figures updated following a counting error)	Waste recovery rate: 77% (recycling + energy recovery)
Eco-design approach/ developments	New products contain 37% recycled materials.	New products contain 38% recycled materials.

▸ **More details on SEB's commitments can be found on its website.**

ORPEA

CSR APPROACH

Qualitative commitments in the long-term care sector

ORPEA is a major provider of support to dependent people. As well as efforts to raise awareness about dependency, ORPEA devises educational programmes:

- in partnership with universities and business schools;
- and with training institutions. ORPEA is also helping to set up and improve dependency care and healthcare systems in certain countries including Poland, the Czech Republic, China and Brazil.

Responsible remuneration

At ORPEA, 30% of the annual variable remuneration of its executive corporate officers (the CEO and COO) is linked to qualitative targets. Those targets include several relevant CSR criteria that represent the group's long-term qualitative development, such as satisfaction and recommendation rates among residents and patients, the frequency of undesirable events and the frequency of complaints.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Duty of care and Sapin 2 act

ORPEA adopted risk mapping, assessment procedures, risk mitigation and prevention initiatives, whistleblowing mechanisms and monitoring and assessment systems. The duty of care plan and the related annual report were made public in May 2018 as an appendix to the 2017 Registration Document and the 2018 AGM report.

Adoption of a Code of Conduct

ORPEA has a Code of Conduct that forms part of its internal rules and applies to all entities. It includes a whistleblowing system that allows it to detect conduct or situations that breach the Code of Conduct. The Code sets out ORPEA's ethical values and principles: respect for people, trust, a sense of responsibility and high standards of professional ethics as part of a care relationship, and respect for ethical commitments.

Stronger risk controls

In 2018, the Audit, Risks, Internal Control and Compliance department expanded considerably to address the company's new issues in terms of risk management. Management now consists of a Corporate team and a France team.

The Corporate team now has eight members:

- a permanent control section with Risk Management, internal control, Compliance and permanent control support;
- a periodic control section with internal audit;
- a data protection section with a DPO (Data Protection Officer) and a data protection special adviser.

The Corporate team's members have a solid-line reporting relationship with the Head of Audit, Risk Management and Internal Control. The latter has a solid-line reporting relationship with the CEO and a dotted-line reporting relationship with the Audit Committee.

The France team consists of three people (to be increased to four eventually) who have a solid-line reporting relationship with the Head of Audit, Risk Management and Internal Control and a dotted-line reporting relationship with the Corporate Secretary.

Promoting ethical conduct within the group

ORPEA's executive body has adopted an approach aimed at ensuring and encouraging ethical behaviour that meets strict integrity rules. This commitment has resulted in particular in the implementation of a risk-management strategy and an anti-corruption compliance programme. The anti-corruption programme relies on the commitment of Executive Management to foster a culture of integrity, transparency and compliance.

In 2018, French teams received training regarding the Code of Conduct, and the intention is for all entities to receive the same training in 2019 and 2020.

ORPEA has also introduced reputation surveys relating to third parties as part of its development in France and abroad, along with an accreditation policy for significant suppliers. Since mid-2018, the group has been preparing KYC procedures and inserting ethics clauses into its contracts with third parties.

Finally, ORPEA prepared a "Guide to managing and preventing conflicts of interest" in 2018. This guide was sent to all teams, and aims to address the risk of unethical behaviour and the risk of corruption. ORPEA is also working on an employee interest disclosure form, with employees undertaking to disclose interests every year.

Awards and events in 2018

ORPEA's business practices were acknowledged several times in 2018:

- The "Diversity in the Executive Body" prize in the SBF 80 category in AGEFI's 15th corporate governance awards.

  The prize recognises not only diversity in the Board of Directors but also across all of the company's functional management bodies.
- Support for the "Imagine for Margo - Children without cancer" charity. Through the exceptional efforts of ORPEA's staff throughout 2018 and

hundreds of charity events organised all across France, almost €160,000 of donations were collected by the ORPEA-CLINEA team for research into pediatric cancers.

- 4th edition of the ORPEA Excellence Awards. Three of the group's teams received awards for the best clinical ethics approach, the best research programmes and publications, and the best care innovation programmes and publications. The awards panel considered 45 projects from nine of the group's 13 countries, including projects related to clinical ethics, connected devices, burn-out and the application of new technologies to older adults.

Governance indicators

	2017	2018
Proportion of directors who are independent	66%	90%
Proportion of directors who are female	40%	40%
Existence of a Board CSR Committee	No	No
Integration of CSR criteria in the variable remuneration of executives	Yes	Yes
Existence of a Board Ethics Committee	No	No

Ethics and human rights	2018
Updates/changes to business ethics procedures	Approach totally overhauled (see above)
Updates/continuation of the human rights policy	Ongoing efforts

Social indicators

Workforce-related/social	2017	2018
Number of permanent employees	44,847	Information not provided (1)
Proportion of employees who completed a training module	100%	Information not provided (1)
Proportion of employee-shareholders	< 1%	< 1%

Environmental indicators

Climate/environment	2017	2018
Introduction of targets for reducing the carbon footprint over the medium to long term	Information not provided by the issuer	Information not provided (1)
Greenhouse gas emissions Scope 1 and 2	130,591 tonnes of CO_2	Information not provided (1)

Circular economy	2017	2018
% of waste recovered/recycled	Production of medical waste: 576 tonnes	Information not provided (1)

► **More details on ORPEA's commitments can be found on its website.**

(1) The information requested had not been provided by the issuer at the time of publication of FFP's Registration Document.

DKSH

Since FFP sold its DKSH shares on 19 February 2019, it is not considered relevant to provide this information.

SPIE

CSR APPROACH

SPIE is Europe's leading provider of multi-technical services in the energy and communication sectors. SPIE is a major player in the green economy and is involved in all stages of its clients' business cycle: from providing advice and feasibility studies to through-life maintenance of their most critical facilities.

SPIE is focusing on four markets, in which it aims to offer services that enable its clients to deal with environmental and social issues effectively:

- Smart City: helping to devise a sustainable model for urban and regional development;
- E-fficient buildings: improving building performance over the long term through convergence between digital technologies and building services;
- Energy: supporting energy transition through a wide range of technologies and services that improve methods for producing, using and transporting energy;
- Industry services: helping manufacturers all along the value chain to improve their performance, reduce costs and foster innovation.

SPIE's CSR policy also focuses on reducing its carbon footprint, training and supporting the professional development of its staff, promoting ethical business relationships and encouraging teams to promote sustainability.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Analysis of extra-financial risks

In 2018, SPIE identified its extra-financial risks. Based on its register of CSR risks, the company consulted several functional and operational managers in France, using the method applied by the group's risk management and internal audit department for analysing risks. The results of those consultations were collated.

SPIE also developed a "value creation" model which, like the risk map and the list of the six main CSR risks, was validated by two members of the Executive Committee. The related information is available in SPIE's 2018 Registration Document.

Controls relating to subcontracting

Subcontracting has been identified as one of the group's six main CSR risks and is subject to control procedures. An Executive Committee member has been appointed as the "sponsor" of this risk and a task force covering multiple subsidiaries and functions (purchasing and operational) has been set up to (i) enhance existing plans of action and (ii) transfer best practice. Each of the group's countries has carried out an initial self-assessment to determine its maturity with respect to these recommendations.

Governance indicators

	2018
Proportion of directors who are independent	66.67%
Proportion of directors who are female	50%
Existence of a Board CSR Committee	No
Integration of CSR criteria in the variable remuneration of executives	Yes (safety)
Existence of a Board Ethics Committee	No

Ethics and human rights	2018
Updates/changes to business ethics procedures	SPIE reviewed its ethical principles, its implementation guide and its whistleblowing procedure in 2018, particularly in response to new regulatory requirements. Certain themes such as human rights and personal data protection are now covered in greater detail. The Code of Ethics and its updated implementation guide, along with the new whistleblowing procedure, will be distributed in 2019. Procedures are in place to prevent the risk of corruption, particularly applying the group's policy regarding the use of intermediaries, sponsorship and donations, and business gifts and invitations. In 2018, the group adopted an improved procedure regarding external invitations and invitations received by employees, publishing a memo setting out new arrangements: a validation process, definitions of amount limits and types of invitations, with a focus on people holding public office. This procedure is being rolled out across all of the group's subsidiaries. Internal audits are carried out to check that the group's rules are properly applied. Several subsidiaries are audited every year.
Updates/continuation of the human rights policy	From 2003, to show its determination and in line with its values, SPIE made a commitment to the United Nations by signing the Global Compact. That provided official confirmation of SPIE's desire to ensure that all of its actions are performed in a responsible and transparent way. SPIE undertook to adopt, support and apply the Global Compact's ten fundamental values in the four areas of human rights, labour standards, the environment and anti-corruption, and to promote them among all of its stakeholders. SPIE is committed to upholding human rights in its day-to-day activities, and this results in a number of practical initiatives such as: • a "SPIE supplier and subcontractor charter" and supplier assessments regarding their responsibilities to their workers, the environment and society; • a safety at work policy, applied internationally; • a non-discrimination policy.

Social indicators

Workforce-related/social	2017	2018
Number of permanent employees	41,699	40,812
Absenteeism rate (France)	5.6%	5.5%
Proportion of employees who completed a training module	88% (Europe)	Information not provided [(1)]
Percentage of purchases covered by CSR parameters	28%	35% based on the 2017 scope, 29% taking into account the 2018 scope
Proportion of employee-shareholders	33%	34% (following the Share for You 2018 plan)
Expenditure on corporate philanthropy	€2.60 million	€980,000

(1) The information requested had not been provided by the issuer at the time of publication of FFP's Registration Document.

Environmental indicators

Climate/environment	2017	2018
Greenhouse gas emissions Scope 1 and 2	152,175 tonnes of CO_2 equivalent	Information not provided [1]
Scope 3 greenhouse gas emissions	1,237,021	Not measured (every two or three years)

Circular economy	2017	2018
% of waste recovered/recycled	178 tonnes of WEEE collected through the partnership with Recylum (France)	193 tonnes of WEEE collected through the partnership with Recylum (France)

▸ **More details on SPIE's commitments can be found on its website.**

CIEL

CSR APPROACH

CIEL has set up a group-wide sustainability policy that has five aspects: commercial ethics; fair working practices and respect for human rights; environmental responsibility; responsible design, planning and purchasing; and stakeholder satisfaction and commitment. The group has published an integrated report every year since 2017.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Transparent governance

In 2018, CIEL implemented the new Mauritius Code of Corporate Governance. To make its governance more transparent, CIEL publishes extensive documentation on its website.

Business ethics

In 2018, CIEL adopted two group policies: a responsible investment policy and a responsible purchasing policy.

Human rights and human resources

CIEL has adopted a new process to ensure that its managers and employees abide by the company's values and guidelines. As part of that process, employees of CIEL and its subsidiaries have completed surveys about their commitment and their perception of the company's issues. CIEL's target is for 75% of employees to complete the survey by 2020.

CIEL has also developed a new system for assessing employees in accordance with its values, in order to encourage employees and support their professional development. The initiative is being accompanied by major investment in leadership and management training.

Environmental information

CIEL is keen to protect biodiversity in the Vallée de Ferney, and has committed to a conservation programme for that site, planting 15,000 endemic trees, reintroducing five bird species and restoring 10 hectares of endemic forest in 2018.

Stakeholders

In 2018, CIEL made a financial contribution to the CIEL Nouveau Regard foundation and to ACTogether.mu. It also organised a new edition of the CIEL Ferney Trail, which attracted 3,500 participants in 2018, with the aim of promoting and protecting biodiversity in Mauritius.

CIEL sponsored numerous local events and organisations such as the Mama Jazz Festival, the Festival Ile Court and the Quatre Bornes Volley Ball Club.

Finally, CIEL launched an inclusive platform encouraging positive action and behaviour in Mauritius.

(1) The information requested had not been provided by the issuer at the time of publication of FFP's Registration Document.

Governance indicators

	2017	2018
Number of independent directors	2	2
Number of women on the Board of Directors	1	1
Existence of a Board CSR Committee	Yes	Yes
Integration of CSR criteria in the variable remuneration of executives	No	No
Existence of a Board Ethics Committee	Yes	Yes

Ethics and human rights	2017-2018
Updates/changes to business ethics procedures	Each entity is in charge of developing its own codes, in accordance with the CIEL Code of Ethics.
Updates/continuation of the human rights policy	Respect for human rights is an integral part of CIEL's CSR approach, and human rights criteria are included in site audits.

Social indicators

Workforce-related/social	2016-2017	2017-2018
Number of permanent employees	35,000	35,000
Expenditure on corporate philanthropy	CIEL Nouveau Regard foundation – MUR5.4 million	CIEL Nouveau Regard foundation – MUR14.8 million

▸ **More details on CIEL's commitments can be found on its website.**

IMMOBILIÈRE DASSAULT

Information on CSR commitments can be found on the issuer's website.

ESG AT UNLISTED INVESTEES

Financière Guiraud SAS, SCA Château Guiraud and the non-trading company FFP-Les Grésillons are controlled by FFP via its wholly-owned subsidiary FFP INVEST. The provisions of Article L. 225-102-1 of the French Commercial Code on employee-related, environmental and social information are not applied owing to the non-material nature of these companies within FFP's portfolio.

Total Eren and Louis Dreyfus Armateurs are also part of FFP's portfolio.

The information below illustrates the main features of the responsible approaches taken by FFP's unlisted investees in 2018. The information was obtained from answers to the questionnaire sent by FFP to all investees, and from their respective publications as the case may be.

TIKEHAU CAPITAL

ESG APPROACH

Overall ESG practices

Tikehau Capital bases its ESG policy on governance aspects.

It has set up an ESG Committee to oversee, co-ordinate and integrate the ESG strategy at all levels of its organisation.

Tikehau Capital is a signatory to the UN's Principles for Responsible Investment (PRI). As a result, analysing ESG criteria plays a central role throughout the lifecycle of its investments. This priority has given rise to the adoption of a "Responsible Investor Charter". To speed up its efforts and promote these criteria in the investment process, Tikehau Capital has recruited a manager focusing on CSR and ESG matters.

Monitoring the carbon footprint

The group audits its carbon footprint every year.

Tikehau Capital encourages its investees in the manufacturing, materials and energy sectors to adopt an Environmental Management System (EMS). At the same time, it encourages people to reduce printing and to make more use of bicycles and electric vehicles.

Environmental policy applied to investees

For each real-estate transaction, Tikehau Capital applies a CSR analysis matrix that takes into account climate change, conservation of resources, environmental transition and potential or actual environmental controversies relating to the transaction.

Social commitment

Tikehau Capital supports the employment of disabled people through its selection of suppliers, and has an active corporate philanthropy and sponsorship policy, particularly relating to sport. Over the long term, the group intends to provide proactive support to initiatives and projects in the following areas: (i) encouraging entrepreneurship for the common good, (ii) promoting a critical mindset through culture and education, (iii) developing confidence by playing sport and (iv) supporting innovation in healthcare.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Launch of a fund focused on environmental transition

In December 2018, T2 Energy Transition Fund, a fund managed by the Tikehau Capital group and dedicated to environmental transition, completed its first closing in an amount of €350 million. The fund's investments will focus on companies in three sectors that are vital for energy transition:

- clean energy production: implementation of solutions to diversify the energy mix, projects to produce energy from carbon-free sources;
- low-carbon mobility: development of infrastructure suited to electric vehicles, development of equipment and services related to low-carbon mobility and changes related to the use of natural gas in transport instead of diesel and marine fuel oil;
- improvements in energy efficiency, storage and digitalisation: discovery and implementation of solutions to deploy and improve energy storage, and efforts to minimise the energy consumption of buildings and companies.

Exclusion of certain types of investment by the ESG Committee

Tikehau Capital's ESG Committee has decided to exclude coal and tobacco from the group's investment universe.

Development of new valuation tools

Tikehau Capital's team has developed new feedback tools and new training resources following an internal survey of numerous staff members at all levels of the organisation.

Governance indicators

	2017	2018
Proportion of directors who are independent	Supervisory Board: 54.5% (6/11)	Supervisory Board: 50% (5/10)
Proportion of Supervisory Board members who are female	45.5% (5/11)	40% (4/10)
Existence of a Supervisory Board CSR Committee	No	No, but CSR was on the agenda of two Supervisory Board meetings
Integration of CSR criteria in the variable remuneration of executives	No	No, but they will be integrated in staff members' 2019 remuneration
Existence of a Supervisory Board Ethics Committee	No	No

Environmental indicators

ESG approach at investees	2017	2018
ESG criteria taken into account in the investment policy	Yes	Yes
Main analysis criteria	Information not provided	**Governance:** quality of the management team and supervisory bodies **Social:** staff turnover / accidents at work (depending on the sector) and potential controversies **Environment:** integration of climate matters and potential controversies
Frequency of ESG analysis	Pre-investment and at least one review per year	Pre-investment and at least one review per year
Adoption of a carbon footprint approach in the portfolio	Yes, applied to liquid funds	Yes, applied to liquid funds
Main environmental criteria considered	Information not provided	Exclusion of coal-related investments

▸ **More details on Tikehau Capital's commitments can be found on its website.**

TOTAL EREN

CSR APPROACH

Total Eren develops, builds and operates photovoltaic and wind power facilities all over the world. It demonstrates the skills and agility needed to develop projects, along with the long-term vision required to be an independent producer of electricity from renewable sources. The preservation of natural resources is central to Total Eren's business plan, and it is developing its business mainly in countries where renewable energies are a competitive way of addressing growing energy needs.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Total Eren's payroll increased sharply in 2018. To deal with that development as effectively as possible, the company recruited a Head of Human Resources.

Total Eren also appointed an Economic and Workforce Committee in 2018.

Adoption of an ESG policy

In March 2018, Total Eren adopted a charter of "Ethical, Human, Social and Environmental Principles".

Key indicators

	2017	2018
Total employees	85	140
Total number of training hours	0	70
Total amount invested in renewable energies	€140 million	Around €143 million (gross amount of capex and development expenditure, net of asset sales)
Number of projects (wind, solar, hydroelectric) in operation at the end of the year	32	38
Number of projects under development	The group has several dozen projects under development, including around 10 at a very advanced stage.	The group has several dozen projects under development, including around 10 at a very advanced stage.
Main countries	France, Italy, Greece, Israel, India, Uganda, Burkina Faso, Brazil, Argentina, Egypt.	France, Italy, Greece, Israel, India, Uganda, Burkina Faso, Brazil, Argentina, Australia, Egypt, Ukraine.

► **More details on Total Eren's commitments can be found on its website.**

CHÂTEAU GUIRAUD

ESG APPROACH

Château Guiraud was the first of Sauternes' "grands crus classés" to receive AB organic certification in 2011. This followed a three-year process of converting to organic methods, and 100 hectares now have AB certification.

The benefits of organic methods for Château Guiraud include more environmentally friendly practices, increasing biodiversity over the years, a terroir that is reasserting its unique identity, and staff who are handling much less toxic products. For customers, the main benefit is that they are drinking wine that contains no pesticide residues. Organic methods also improve quality, with wines that express the full potential of the terroir. The organic approach is only part of Château Guiraud's environmental protection policy, which seeks to achieve ongoing reductions in inputs and to replace phytosanitary products with plants.

SIGNIFICANT EVENTS AND INITIATIVES IN 2018

Reduction in energy consumption

To reduce its consumption of energy and water and to manage its waste as effectively as possible, Château Guiraud has installed a cardboard and paper recycling container.

The company has also repaired its hydraulic ram pump, which takes water from a spring and returns any unused surplus. Through this closed-circuit system, Château Guiraud ensures that unused water goes back where it came from, with no external pollution.

Measures to promote well-being at work

Château Guiraud has purchased a new high-clearance tractor with a vibration- and shock-reducing cabin.

Active member of the wine industry

Each year, Château Guiraud recruits seasonal employees and plays an active role in the wine industry's cultural and professional events (tastings, open days, "Fête de la Lune"). Château Guiraud is also an active member of the "Organisation de Défense et de Gestion du Vin" (organisation for the defence and management of wine).

ESG IN PRIVATE EQUITY FUNDS

In 2018, FFP made commitments to nine new private equity funds.

These nine partner funds take into account ESG criteria in the following ways:

- the nine asset management companies have defined an internal ESG policy/charter to take into account these criteria when carrying out due diligence and monitoring work on investees;
- four asset management companies are signatories to the UN PRI (Principles for Responsible Investment). Accordingly, they have defined a certain number of ESG criteria and require their investees to carry out specific reporting, with the assistance of specialist consultants;
- four asset management companies publish an ESG annual report for their investors, setting out their in-house achievements during the year but also those of the companies they support;
- four asset management companies have appointed an internal representative in charge of ESG matters;
- one fund is dedicated to impact investing, i.e. Alter Equity, a private equity fund focused on social and environmental criteria. Its investees must have a positive impact on the environment and/or on people, along with CSR management practices, committing to an extra-financial business plan and a CSR plan of action.

FFP has formally taken into account ESG matters in its private-equity investments since 2015, and ESG criteria are monitored at each asset management company.

ESG IN PRACTICE AT FFP

GOVERNANCE

FFP has sought to adopt exemplary governance in terms of transparency, independence and the creation of control and business ethics bodies.

FFP is governed by a Board of Directors. Its Specialist Committees prepare the Board's work by making recommendations, before the Board takes formal decisions.

FFP's Board of Directors has three Committees: the Governance, Appointments and Remuneration Committee, the Financial and Audit Committee and the

Investments and Shareholdings Committee. The Investments and Shareholdings Committee formulates opinions on potential investments and disposals presented to it by FFP's Executive Management, before formal approval is given by the Board of Directors.

FFP applies the AFEP-MEDEF Code of corporate governance, and in particular exceeds AFEP-MEDEF's recommended threshold in terms of the proportion of independent directors.

Compliance with governance codes and rules plays a central role in FFP's strategic decision-making. The company undertakes to apply industry best practice in this area.

SOCIAL RESPONSIBILITY

THE TEAM

On 31 December 2018, the Company's headcount amounted to 27 (15 men and 12 women), including the Chairman and Chief Executive Officer and the Chief Operating Officer. All employees conduct their activities at the registered office and within the FFP Investment UK Ltd subsidiary.

In 2018, five new employees joined and no employees left the Company. The age range was between 26 and 68 years on 31 December 2018. With the exception of the Chairman and Chief Executive Officer, all employees hold a permanent employment contract. FFP had no temporary staff and one part-time employee on 31 December 2018. The Company has to abide by French legislation on the 35-hour work week. That said, the majority of its employees have manager status.

In accordance with Article L. 225-102-1 of the French Commercial Code, the company adheres in its recruitment activities to the principles of combating discrimination and promoting diversity and, more broadly, with the International Labour Organization's Core Conventions.

TRAINING AND PROFESSIONAL DEVELOPMENT

Employees received 49 hours of training in 2018, mainly in the areas of finance and accounting.

WORK ORGANISATION

The company did not experience any absenteeism problems among its staff in 2018.

There were no work accidents in 2018.

In order to achieve continuous improvement in employees' quality of life at work and collective performance, FFP and Établissements Peugeot Frères (EPF) have adopted a remote working charter, which ensures that this working method is governed in accordance with the applicable provisions of legislation and collective agreements.

The other matters covered by decree no. 2002-221 of 20 February 2002 implementing Article L. 225-201-1 of the French Commercial Code – i.e. health and safety, training, employment and the integration of disabled workers, social benefits and outsourcing – do not require any comments owing to the specific nature of the Company's activities and its limited headcount.

REMUNERATION AND BENEFITS

FFP's payroll amounted to €4,132,978 in 2018 (versus €3,819,122 in 2017) and social security costs totalled €2,432,868 (versus €2,185,904 in 2017).

Employees and corporate officers benefit from an incentive agreement. A sum of €151,935 was paid under this agreement in 2018. Every employee has the option to have some or all of his/her incentive bonus paid into a corporate savings plan and/or PERCO collective retirement savings plan managed by an external financial partner. The regulations of this PERCO plan were supplemented by an agreement entered into in 2015 pursuant to the "Macron act" no. 2015-990 on the forfait social (corporate social contribution).

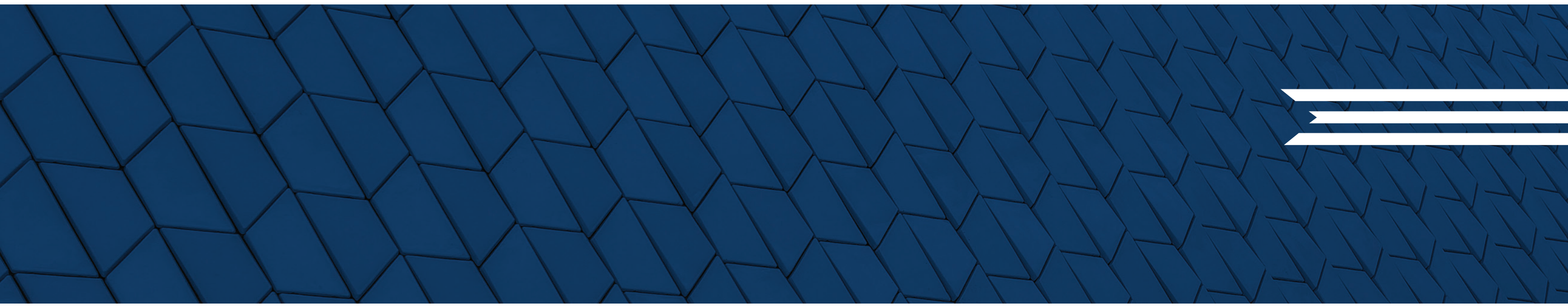
FFP and EPF, which together form an economic and social unit, held elections for an employee representative on 4 February 2016, and the elected official was designated as a union representative, enabling FFP to enter into collective agreements. In 2017, amendments to the corporate savings plan and PERCO plan were signed and an amendment to the collective agreement introducing supplementary healthcare cover was also signed.

ENVIRONMENT

For both economic and environmental reasons, all employees are encouraged to limit their use of plastic bottles, and water fountains have been installed in the office for that purpose.

FFP and EPF have introduced sorting, collection and recycling of items including paper, cardboard, plastic, metal, glass and coffee capsules, in collaboration with Greenwishes, Shred-it and Nespresso.

Furthermore, because of FFP's activities as an industrial and financial holding company, the provisions of Article L. 225-102-1 of the French Commercial Code on environmental and social reporting are not applied because they are not relevant to the company's internal operational arrangements. However, environmental and social issues are addressed by FFP as part of its investment policy by gradually taking into account ESG factors.



2. CORPORATE GOVERNANCE

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This chapter 2 is part of the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code reviewed by the Board of Directors at its meeting on 15 March 2019. It covers the composition of the Board of Directors, the preparation and organisation of the work of the Board and the Board Committees, the powers of Executive Management, the principles and rules laid down to determine the remuneration and benefits of any kind awarded to corporate officers and the application by the Company of the corporate governance code to which it refers.

2.1 Composition of the Board of Directors on 31 December 2018

The Board of Directors has ten members, all of whom are French nationals. The members of the Board possess a diverse array of respected skills and expertise, particularly in industry, finance and banking, which they apply consistently and harness to make a high-quality contribution during discussions and the decision-making process.

Surname	First name	Position at FFP	Independent
Peugeot	**Robert**	Chairman and Chief Executive Officer	
Peugeot (1)	**Jean-Philippe**	Vice-Chairman	
Peugeot-Roncoroni	**Marie-Hélène**	Vice-Chairman	
Chodron de Courcel	**Georges**	Director	
Gendry	**Luce**	Director	•
Lange	**Anne**	Director	•
Netter	**Dominique**	Director	•
Peugeot	**Christian**	Director	
Peugeot	**Xavier**	Director	
Walbaum	**Marie-Françoise**	Director	•

The AFEP-MEDEF Corporate Governance Code is the code to which the Company referred when preparing this report and which it actually applies. The code, which was revised in June 2018, is available at: http://afep.com/en/publications-en/le-code-afep-medef-revise-de-2018/.

Pursuant to Article L. 225-37-4 of the French Commercial Code, the provisions of the aforementioned Code that were not observed and the reasons why such was the case are stated in this report, where appropriate.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS IN FY 2018

At the General Meeting of 17 May 2018, Marie-Hélène Peugeot-Roncoroni, Georges Chodron de Courcel, Dominique Netter and Marie-Françoise Walbaum were reappointed as directors and Anne Lange was appointed as a director for the first time to replace Patrick Soulard, whose term in office expired at the close of said general meeting.

DIRECTORS' INDEPENDENCE

The criteria used to determine whether a director qualifies as independent are those laid down in the AFEP-MEDEF Corporate Governance Code.

Pursuant to the Company's Internal Rules, the Governance, Appointments and Remuneration Committee considers the independence of the directors every year. Each director's status is then reviewed by the Board of Directors using the independence criteria laid down in the AFEP-MEDEF Corporate Governance Code.

(1) His reappointment will be proposed at the Annual General Meeting on 15 May 2019.

The following table shows the status of each director that the Board of Directors deemed to be independent based on the independence criteria laid down in the AFEP-MEDEF Corporate Governance Code.

Criteria for independence	Dominique Netter	Marie-Françoise Walbaum	Luce Gendry	Anne Lange
Criterion 1: Employee or corporate officer	•	•	•	•
Criterion 2: Cross-directorships	•	•	•	•
Criterion 3: Significant business relationships	•	•	•	•
Criterion 4: Family ties	•	•	•	•
Criterion 5: Statutory Auditors	•	•	•	•
Criterion 6: Term in office of over 12 years	•	•	•	•
Criterion 7: Non-executive officer	•	•	•	•
Criterion 8: Major shareholder	•	•	•	•

CRITERION 1: EMPLOYEE OR CORPORATE OFFICER WITHIN THE PAST 5 YEARS

Not to be and not to have been within the past five years:

- an employee or executive officer of the company;
- an employee, executive officer or director of a company consolidated by the company;
- an employee, executive officer or director of the company's parent company or a company consolidated within this parent company.

CRITERION 2: CROSS-DIRECTORSHIPS

Not to be an executive officer of a company in which the company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the company (currently in office or having held such office for less than five years) is a director.

CRITERION 3: SIGNIFICANT BUSINESS RELATIONSHIPS

Not to be a customer, supplier, commercial banker, investment banker or consultant:

- that is material to the company or its group;
- or for a significant part of whose business the company or its group accounts.

CRITERION 4: FAMILY TIES

Not to be related by close family ties to a corporate officer.

CRITERION 5: STATUTORY AUDITORS

Not to have been an auditor of the company within the previous 5 years.

CRITERION 6: TERM IN OFFICE OF OVER 12 YEARS

Not to have been a director of the company for more than 12 years. Loss of independent director status occurs on the 12th anniversary date of the original appointment.

CRITERION 7: NON-EXECUTIVE OFFICER

A non-executive officer cannot be considered independent if he or she receives a bonus in cash or the form of securities or any remuneration linked to the performance of the company or group.

CRITERION 8: MAJOR SHAREHOLDER

Directors representing major shareholders of the company or its parent may be considered independent, provided these shareholders do not participate in control of the company. Nevertheless, beyond a 10% threshold of the share capital or voting rights, the Board, upon a report from the Appointments Committee, should systematically review their independence in the light of the structure of the company's share capital and any potential conflict of interest.

At its meeting on 23 March 2018, the Board of Directors took the view that in the 2018 financial year the following members qualified as independent: Luce Gendry, Dominique Netter, Marie-Françoise Walbaum and Anne Lange.

Accordingly, the proportion of independent directors within the Company's Board of Directors stood at 40% on 31 December 2018, a level compliant with the requirements of the AFEP-MEDEF Corporate Governance Code, which recommends a ratio of one-third for controlled companies.

DIVERSITY, SKILLS AND BALANCED REPRESENTATION OF MEN AND WOMEN ON THE BOARD OF DIRECTORS

FFP has taken steps to build a balanced Board of Directors and Board Committees, by bringing together individuals with a diverse range of skills and expertise.

In accordance with its Internal Rules, the Board holds an annual debate concerning its composition. As part of this process, it reviews the various skills and experience of each of the directors and identifies priorities for the composition of the Board and Board Committees to maintain the best possible balance by looking for directors with complementary profiles in terms of their age, gender, qualifications and experience.

In 2017, the Board set itself the target of appointing a female independent director with experience in new technologies/disruption. In line with this objective, the appointment to the Board of Directors of Anne Lange, who possesses proven digital expertise, was proposed by the Board and approved by shareholders at the General Meeting on 17 May 2018.

The directors possess and provide the Board with the benefit of a diverse set of skills in industry, management, finance, consulting, innovation, CSR, new technologies, digital transformation and international experience (see the "Appointments held by corporate officers" section below).

Women accounted for 50% of the members of the Board of Directors on 31 December 2018. This percentage was in line with the law of 27 January 2011 on the balanced representation of men and women on Boards of Directors and Supervisory Boards and on professional equality.

APPOINTMENTS HELD BY CORPORATE OFFICERS ON 31 DECEMBER 2018

Robert PEUGEOT Born 25 April 1950 French national

– Chairman and Chief Executive Officer
– Chairman of the Investments and Shareholdings Committee

Number of FFP shares held for his personal account on 31 December 2018:
10 shares

Date of first appointment to the Board of Directors:
28 June 1979

Year in which current term expires:
2021

Business address:
66, avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine

Current appointments		Position
FFP INVEST	G	Permanent representative of FFP, President
FFP Investment UK Ltd.	G	Director
F&P		President
Financière Guiraud SAS	G	Permanent representative of FFP INVEST, President and member of the Supervisory Board
Établissements Peugeot Frères	G	Director
FAURECIA	*	Director
Peugeot SA	*	Permanent representative of FFP on the Supervisory Board
DKSH (1)	*	Director
Hermès International SCA	*	Member of the Supervisory Board
Sofina	*	Director
Safran	*	Permanent representative of F&P on the Board of Directors
Tikehau Capital Advisors		Director
SICAV ARMENE	G	Permanent representative of Maillot I on the Board of Directors
SC Rodom		Manager
SARL CHP Gestion		Manager
Soparexo		Member of the Supervisory Board

Management expertise:
After graduating from Ecole Centrale de Paris and INSEAD, Robert Peugeot held various executive positions within the PSA Group. From 1998 to 2007, as a member of the Group's Executive Committee, he was in charge of Innovation & Quality. He is FFP's permanent representative on the Supervisory Board of Peugeot SA, chairs the Strategy Committee and is a member of the Finance and Audit Committee. He has led FFP's development since late 2002.

Appointments held in the past five financial years but now ended:
Peugeot SA, IDI Emerging Markets, Sanef, Zodiac Aerospace, Imerys, Holding Reinier

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* Listed company. G Company belonging to the same group as FFP.

(1) Robert Peugeot's term in office as a director of DKSH ended at the close of the general meeting on 21 March 2019.

Jean-Philippe PEUGEOT

Born 7 May 1953 French national

- Director and Vice-Chairman
- Member of the Governance, Appointments and Remuneration Committee
- Member of the Investments and Shareholdings Committee

Number of FFP shares held for his personal account on 31 December 2018: **10 shares**

Date of first appointment to the Board of Directors: **28 June 1979**

Year in which current term expires: **2019**

Business address: **66, avenue Charles-de-Gaulle 92200 Neuilly-sur-Seine**

Current appointments		Position
Établissements Peugeot Frères	G	Chairman and Chief Executive Officer
Peugeot Frères Industrie	G	President
Groupe PSP	G	Chairman and Chief Executive Officer
Maillot I	G	Manager
SICAV ARMENE	G	Chairman and Chief Executive Officer
Jamwa		Manager

Management expertise:
Jean-Philippe Peugeot is a graduate of ISG Business School. He has spent his entire career with Automobiles Peugeot and has managed a commercial subsidiary of Automobiles Peugeot for eight years and Peugeot Parc Alliance for four years.

Appointments held in the past five financial years but now ended:
Peugeot SA, Oldscool, Innoveox, LDAP, Immobilière Dassault

Marie-Hélène PEUGEOT-RONCORONI

Born 17 November 1960 French national

- Director and Vice-Chairman
- Member of the Governance, Appointments and Remuneration Committee
- Member of the Investments and Shareholdings Committee

Number of FFP shares held for her personal account on 31 December 2018: **10 shares**

Date of first appointment to the Board of Directors: **19 December 2002**

Year in which current term expires: **2022**

Business address: **66, avenue Charles-de-Gaulle 92200 Neuilly-sur-Seine**

Current appointments		Position
Établissements Peugeot Frères	G	Director and Deputy Chief Executive Officer
Peugeot SA	*	Permanent representative of Établissements Peugeot Frères on the Supervisory Board and Vice-Chairman
LISI	*	Director
SAPAR		Director and Chairman of the Board of Directors
PSA Fondation		Director and Vice-Chairman of the Board of Directors
ESSO SAF	*	Director
SICAV ARMENE	G	Director
Saint-Co SAS		President

Management expertise:
Marie-Hélène Peugeot-Roncoroni is a graduate of the Institut d'Etudes Politiques de Paris (Institute of Political Studies). She began her career in an international audit firm before taking on responsibilities in the PSA Group's finance, and industrial and human relations divisions. She is the permanent representative of Établissements Peugeot Frères on the Supervisory Board of Peugeot SA, Vice-Chairman and a member of the Asia Business Development Committee and of the Governance, Appointments and Remuneration Committee.

Appointments held in the past five financial years but now ended:
Member of the Supervisory Board of Peugeot SA, permanent representative of Sapar on the Board of Directors of Immeubles de Franche-Comté, Director of Assurances Mutuelles de France, Director of Institut Diderot, Deputy Chief Executive Officer of SAPAR

* Listed company. **G** Company belonging to the same group as FFP.

Georges CHODRON de COURCEL

Born 20 May 1950 French national

– Director
– Member of the Investments and Shareholdings Committee

Number of FFP shares held for his personal account on 31 December 2018:
20 shares

Date of first appointment to the Board of Directors:
2 June 2005

Year in which current term expires:
2022

Business address:
32, rue de Monceau
75008 Paris

Current appointments		Position
GCC Associés SAS		President
Lagardère SCA	*	Member of the Supervisory Board
Nexans	*	Chairman of the Board of Directors
SCOR Holding (Switzerland) AG		Director
SCOR Global Life Rückversicherung Schweiz AG		Director
SCOR Switzerland AG		Director
SGLRI (Scor Global Life Reinsurance Ireland)		Director

Management expertise:
Georges Chodron de Courcel is a graduate of the École Centrale de Paris engineering science school and holds a degree in economic science. In 1972, he joined BNP where he held various positions in the finance department. Following the merger with Paribas, he was head of BNP Paribas Corporate and Investment Banking, then Deputy Chief Executive Officer of BNP Paribas from June 2003 until June 2014.

Appointments held in the past five financial years but now ended:
BNP Paribas, BNP Paribas (Suisse) SA, BNP Paribas Fortis Bank, Alstom, Verner Investissements SAS, Exane (observer on the board), Bouygues, Groupe Bruxelles Lambert (Belgium), Erbé SA (Belgium)

Luce GENDRY

Born 8 July 1949 French national

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– Director
– Chairman of the Finance and Audit Committee

Number of FFP shares held for her personal account on 31 December 2018:
10 shares

Date of first appointment to the Board of Directors:
9 June 2010

Year in which current term expires:
2021

Business address:
Rothschild
23 bis, avenue de Messine
75008 Paris

Current appointments		Position
IDI	*	Chairman of the Supervisory Board
Cavamont Holdings Ltd.		Chairman
Sucres et Denrées		Member of the Supervisory Board
Rothschild Martin Maurel		Member of the Supervisory Board
Nexity	*	Director

Management expertise:
A HEC graduate, Luce Gendry was Chief Financial Officer of the Générale Occidentale group, then of Bolloré, before joining Rothschild in 1993. As managing partner of the bank until 2011, she specialised in M&A consulting and participated in numerous corporate finance transactions in and outside France.

Appointments held in the past five financial years but now ended:
Member of the Supervisory Board of INEA, SFR Group (formerly Numéricable)

Anne LANGE

Born 22 May 1968 French national

- Director
- Member of the Investments and Shareholdings Committee
- Member of the Finance and Audit Committee

Number of FFP shares held for her personal account on 31 December 2018:
100 shares

Date of first appointment to the Board of Directors:
17 May 2018

Year in which current term expires:
2022

Business address:
66, avenue Charles-de-Gaulle 92200 Neuilly-sur-Seine

Current appointments		Position
Pernod Ricard	*	Director
Orange	*	Director
Econocom Group	*	Director
Imprimerie nationale		Director

Management expertise:
Anne Lange is a graduate of the Institut d'Etudes Politiques de Paris and Ecole Nationale d'Administration. She began her career with the French ministry of industry as media officer. She joined Thomson, the Forum of Internet Rights, then the Cisco group, before helping to found and serving as Chief Executive Officer of Mentis.

Appointments held in the past five financial years but now ended:
Chief Executive Officer of Mentis, Director of METabolic Explorer

Dominique NETTER

Born 31 August 1951 French national

- Director
- Chairman of the Governance, Appointments and Remuneration Committee
- Member of the Investments and Shareholdings Committee

Number of FFP shares held for her personal account on 31 December 2018:
150 shares

Date of first appointment to the Board of Directors:
1 January 2016

Year in which current term expires:
2022

Personal address:
18, rue de l'Assomption 75016 Paris

Current appointments	Position
Fitch Ratings Inc.	Director
Fitch Ratings Limited	Director
Fitch Ratings CIS Limited	Director
Fitch Ratings Italia SpA	Member of the Supervisory Board
Fitch Ratings España	Director
Fitch Ratings Deutschland	Director
Primwest	Member of the Supervisory Board

Management expertise:
Dominique Netter has spent most of her career with Edmond de Rothschild France. After serving as Chief Executive Officer, then Chairman of the Management Board of Rothschild Asset Management between 2001 and 2007, she became Chief Investment Officer of the private banking unit until October 2015. Previously, she had held executive responsibilities at HSBC CCF Securities (from 1995 to 2001) and Détroyat Associés (from 1991 to 1995).

Appointments held in the past five financial years but now ended:
Member of Edmond de Rothschild Asset Management's Supervisory Board, Director of SGR Edmond de Rothschild Italia, Director of EDRIS Portfolio Management

* Listed company. **G** Company belonging to the same group as FFP.

Christian PEUGEOT Born 9 July 1953 French national

– Director
– Member of the Finance and Audit Committee

Number of FFP shares held for his personal account on 31 December 2018:
1,010 shares

Date of first appointment to the Board of Directors:
28 juin 1979

Year in which current term expires:
2021

Business address:
2, rue de Presbourg
75008 Paris

Current appointments		Position
LISI	*	Director
Compagnie Industrielle de Delle (CID)		Director
Établissements Peugeot Frères	G	Director and Vice-Chairman of the Board of Directors
Groupe PSP	G	Director
CCFA (Comité des Constructeurs Français d'Automobiles)		Chairman
UNIFAB (Union des Fabricants)		Chairman
SARL BP Gestion		Manager
Société Immobilière La Roche		Manager
Immobilière Dassault	*	Permanent representative of FFP INVEST on the Supervisory Board
UTAC Holding		Director
AAA DATA		Chairman
Auto Moto Cycle Promotion		Chairman

Management expertise:
Christian Peugeot is a graduate of the HEC business school. He has spent his entire career with the PSA Group where he has held various sales and marketing responsibilities, was Director of Public Affairs and, most recently, External Relations Officer for the PSA Group. Since 1 January 2016, he has been Chairman of the CCFA (French automobile manufacturers association).

Appointments held in the past five financial years but now ended:
Deputy Chief Executive Officer of Établissements Peugeot Frères, Vice-Chairman of Football Club Sochaux Montbéliard SA, Manager of SARL RP Investissements, permanent representative of FFP INVEST on the Board of Directors of SEB SA

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Xavier PEUGEOT Born 8 May 1964 French national

– Director
– Member of the Investments and Shareholdings Committee

Number of FFP shares held for his personal account on 31 December 2018:
10 shares

Date of first appointment to the Board of Directors:
27 June 2001

Year in which current term expires:
2021

Business address:
7, rue Henri-Sainte-Claire-Deville
92500 Rueil-Malmaison

Current appointments		Position
Compagnie Industrielle de Delle (CID)		Director
Établissements Peugeot Frères	G	Director
Groupe PSP	G	Director
SAPAR		Deputy Chief Executive Officer and Director
L'Aventure Peugeot Citroën DS (association loi 1901)		Chairman
Immeubles de Franche-Comté		Permanent representative of SAPAR on the Board of Directors

Management expertise:
Xavier Peugeot is a graduate of Paris Dauphine University. After 4 years at the BDDP advertising agency, he joined the PSA Group where he has held various positions in France and abroad (United Kingdom), including as Head of Peugeot in the Netherlands, Peugeot's Head of Marketing and Communication and Peugeot's Head of Strategy and Products. He is currently Head of Strategy and Products for the Citroën brand. He also chairs the L'Aventure Peugeot Citroën DS automobile heritage non-profit organisation.

Appointments held in the past five financial years but now ended:
Deputy Chief Executive Officer of Établissements Peugeot Frères, Director of FC Sochaux Montbéliard SA

Marie-Françoise WALBAUM

Born 18 March 1950 French national

- Director
- Member of the Governance, Appointments and Remuneration Committee
- Member of the Investments and Shareholdings Committee

Number of FFP shares held for her personal account on 31 December 2018:
20 shares

Date of first appointment to the Board of Directors:
15 May 2012

Year in which current term expires:
2022

Personal address:
10, rue d'Auteuil
75016 Paris

Current appointments		Position
Esso SAF	*	Director
Thales	*	Director
Imerys	*	Director
Isatis Capital		Member of the Supervisory Board

Management expertise:
Marie-Françoise Walbaum, a graduate of the University of Paris X in economic science and sociology, is retired. She spent her entire career with BNP Paribas in various executive positions requiring financial (management of principal investments, private equity funds and internal holding companies) commercial and management skills.

Appointments held in the past five financial years but now ended:
Director of Vigeo, Observer on the board of Isatis

Bertrand FINET

Born 6 September 1965 French national

- Deputy Chief Executive Officer

Number of FFP shares held for his personal account on 31 December 2018:
0 share

Business address:
66, avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine

Current appointments		Position
FFP INVEST	G	Chief Executive Officer
SEB SA	*	Permanent representative of FFP INVEST on the Board of Directors
SPIE SA	*	Permanent representative of FFP INVEST on the Board of Directors
FFP Investment UK Ltd.	G	Director
LDAP		Permanent representative of FFP INVEST on the Executive Committee

Management expertise:
Bertrand Finet graduated from Essec business school in 1988 and started his career in 1991 at 3i Group where he was Investment Director. He held this position for two years in London, before moving to the group's French subsidiary.

He was appointed managing director at CVC Capital Partners France in 1996, before moving to Candover France to head up its Paris office in 2006.

Bertrand Finet was appointed in 2009 to the Executive Committee of Fonds Stratégique d'Investissement (FSI). In 2013 he became executive director of Bpifrance, where he oversaw equity investments in SMEs, and then executive director of Bpifrance's Mid & Large Cap division in April 2015.

He was appointed as FFP's Deputy Chief Executive Officer in January 2017.

Appointments held in the past five financial years but now ended:
Bpifrance Investissement, Mersen, Sequana, Constellium, Vallourec, Technicolor, Consolidation et développement gestion, CDC Entreprises Capital-investissement

* Listed company. G Company belonging to the same group as FFP.

2.2 Operating procedures of the Board of Directors and Board Committees

OPERATING PROCEDURES OF THE BOARD OF DIRECTORS

The Board of Directors sets the Company's strategic direction and oversees its implementation. Subject to the powers expressly reserved for general meetings and without exceeding the corporate objects, it deals with any matters affecting the smooth running of the Company.

The rules on the operation of the Board of Directors are laid down in law, the Articles of Association and FFP's Internal Rules and Code of Ethics (hereinafter the "Internal Rules"). These Internal Rules state how the Board of Directors should be organised so that it conducts its tasks as effectively as possible. They aim to present all the duties incumbent upon each director and the role of the Board of Directors. They lay down the internal procedures for the Board of Directors, state the role of the Chairman of the Board of Directors and specify that the Chairman of the Board of Directors will also serve as Chief Executive Officer. The Internal Rules lay down formal terms of reference for the Board Committees that act under authority of the Board of Directors. The Internal Rules are included in the Registration Document.

Throughout the year, the Board of Directors implements the checks and controls that it deems appropriate and may ask for any documents that it considers useful for the fulfilment of its duties.

The Board of Directors meets as often as required by the Company's interests, when convened by the Chairman or, failing this, by one of the duly appointed Vice-Chairmen.

A schedule of meetings of the Board of Directors is drawn up at the end of the previous year. 10 to 15 days prior to the meeting of the Board of Directors, a notice of meeting, accompanied by the agenda and draft minutes of the previous meeting, is sent electronically to the directors to enable them to make any observations prior to the meeting of the Board of Directors. The Board of Directors may thus engage directly in a debate concerning the agenda.

Where appropriate, in the week preceding the Board of Directors' meeting, the members are sent files electronically containing the preparatory documents for the agenda points.

Lastly, at each Board of Directors' meeting, the members are informed of the Company's financial position in a presentation covering the following points entitled "Activities of the Company since the latest meeting":

- investments/divestments;
- main shareholdings;
- management of portfolio investment securities;
- changes in Net Asset Value;
- the debt and treasury position.

The Chairman and Chief Executive Officer and the Deputy Chief Executive Officer generally make this presentation. The guiding principle at all times is that all directors should be able to have their say in discussions.

Decisions are made based on a majority vote of members present or represented. In the event of a split vote, the Chairman of the meeting holds a casting vote.

In 2018, the Board of Directors met nine times.

Date of meeting	Attendance rate
9 January 2018	100%
16 March 2018	100%
23 March 2018	90%
13 April 2018	100%
17 May 2018	100%
3 July 2018	90%
17 September 2018	90%
17 October 2018	100%
11 December 2018	100%
Average attendance rate	97%

OPERATING PROCEDURES OF THE BOARD COMMITTEES

The Board of Directors has three Committees which are standing permanently. The role and operating rules of each of these Committees are laid down in the Internal Rules, the principles of which are included hereinafter.

GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE

The Governance, Appointments and Remuneration Committee has five directors, three of whom are independent based on the AFEP-MEDEF criteria.

It has the following members:

- Dominique Netter, Chairman of the Committee;
- Jean-Philippe Peugeot;
- Marie-Hélène Peugeot-Roncoroni;
- Luce Gendry;
- Marie-Françoise Walbaum.

In accordance with the AFEP-MEDEF Corporate Governance Code, a majority of the members of this Committee are independent.

The Governance, Appointments and Remuneration Committee presents its recommendations in the following four areas:

Board of Directors:

- reappointment or appointment of directors;
- creation and composition of the Board Committees;
- potential changes to the structure, size and composition of the Board of Directors;
- review of the criteria used by the Board to qualify a director as independent; examination every year on a case-by-case basis of the status of each director or director candidate based on the independence criteria adopted.

Chairman and Chief Executive Officer and Deputy Chief Executive Officer:

- reappointment of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer;
- succession plan for executive officers applicable in particular in the event of the unexpected vacation of their office;
- individual remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer;
- remuneration of the Vice-Chairman or Vice-Chairmen;
- amount and scale for dividing up the attendance fees allotted to the directors and to the Committee members;
- general policy for the award of stock (subscription or purchase) options, bonus shares and the general policy on incentives.

Company's representatives on the Board of Directors or Supervisory Board of third-party companies:

- designation of the Company's representatives on the Board of Directors or Supervisory Board of third-party companies.

Governance:

- possible modes of Executive Management;
- monitoring changes in the corporate governance rules, especially those affecting the Code to which the Company refers;
- assessment of the operating procedures of the Board and the Board Committees;
- updates to its Internal Rules.

A Committee member shall not take part in voting when, where appropriate, the Committee is considering his/her remuneration or independence. He/she should not be present when such matters are discussed.

The Committee shall meet at least once every year, when convened by its chairman.

A schedule of Committee meetings is drawn up at the end of the previous year. 10 to 15 days prior to the Committee meeting, a notice of meeting, accompanied by the agenda and draft minutes of the previous meeting, is sent electronically to the members to enable them to make any observations concerning the draft version. Where appropriate, in the week preceding the Committee meeting, the members are sent files electronically containing the preparatory documents for the agenda points.

The Committee met three times during 2018. The average attendance rate at this Committee was 100%.

In 2018, the Committee considered the following matters:

- the composition of the Board of Directors;
- the status review of the independent directors;
- assessment of the operating procedures of the Board and the Board Committees;
- the remuneration of the Chairman and Chief; Executive Officer and of the Deputy Chief Executive Officer;
- the remuneration policy for management;
- the review of the corporate governance report included in the management report.

The Governance, Appointments and Remuneration Committee reports to the Board on its work.

INVESTMENTS AND SHAREHOLDINGS COMMITTEE

The Investments and Shareholdings Committee has eight directors, three of whom are independent based on the AFEP-MEDEF criteria.

It has the following members:

- Robert Peugeot, Chairman of the Committee;
- Georges Chodron de Courcel;
- Anne Lange;
- Dominique Netter;
- Jean-Philippe Peugeot;
- Xavier Peugeot;
- Marie-Hélène Peugeot-Roncoroni;
- Marie-Françoise Walbaum.

The Committee formulates an opinion on the investment and disposal files presented to it by FFP's Executive Management before formal approval is given to them by the Board of Directors. To this end, it reviews all aspects of the transactions and makes sure that they are consistent with FFP's strategy, meet its investment criteria and are compatible with its financial position. Treasury investments and portfolio investment securities are not covered by this procedure.

In addition, on behalf of the Board of Directors, the Committee monitors the activities of companies in which FFP, FFP INVEST and FFP Investment UK Ltd have a shareholding. To this end, the Committee keeps track of the activities and results of shareholdings, analyses their strategy and recommends the position to be adopted on decisions proposed to the corporate bodies of the portfolio holdings when FFP, FFP INVEST or FFP Investment UK Ltd are represented directly or indirectly on the Board of directors or Supervisory Board of said shareholdings.

It meets when convened by its chairman as many times as necessary and at least twice a year.

A schedule of Committee meetings and a provisional work programme are drawn up at the end of the previous year. 10 to 15 days prior to the Committee meeting, a notice of meeting consisting of the agenda and draft minutes of the previous meeting, is sent electronically to the members to enable them to make any observations concerning the draft version. Where appropriate, in the week preceding the Committee meeting, the members are sent files electronically containing the preparatory documents for the agenda points.

The Investments and Shareholdings Committee reports on its work to the Board.

In 2018, the Investments and Shareholdings Committee met four times. The average attendance rate at this Committee was 100%.

In 2018, the Committee considered the following matters:

- the investment and disposal projects, some of which went ahead during the year, and private equity commitments

FINANCE AND AUDIT COMMITTEE

The Finance and Audit Committee has three directors, two of whom qualified as independent based on the AFEP-MEDEF criteria.

It has the following members:

- Luce Gendry, Chairman of the Committee;
- Christian Peugeot;
- Anne Lange.

The Finance and Audit Committee is responsible for making preparations for decisions to be made by the Board of Directors on accounting and financial matters. Without prejudice to the authority of the Board of Directors and Executive Management, the Committee has particular responsibility for monitoring:

- **The process of preparing financial information.**
  It examines the parent-company financial statements of FFP and of its subsidiaries FFP INVEST and FFP Investment UK Ltd, and also FFP's consolidated financial statements, prior to meetings of the Board of Directors responsible for approving the annual or interim financial statements. It studies any plan to introduce accounting guidelines or change accounting methods and keeps track of accounting standards. It makes sure that accounting and financial information is produced in line with the statutory requirements, the recommendations of the regulatory authorities and the Company's internal procedures.
- **The effectiveness of internal control and risk management systems.**
  It ensures that there is a process for identifying and analysing risks liable to have an impact on financial and accounting information. It oversees its introduction and makes sure that remedial measures are implemented to rectify shortcomings identified. It examines the insurance policy adopted.
- **The statutory audit of the annual financial statements and the consolidated financial statements by the Statutory Auditors.**
  It examines the conclusions drawn by the Statutory Auditors based on their procedures and ensures that their recommendations are implemented. The Committee, which has access to all the information it requires, may meet with FFP's, FFP INVEST's and FFP Investment UK Ltd's Statutory Auditors, without the Executive Management team being present. It examines the main points of the investor relations policy.

- **The independence of the Statutory Auditors.**

  It conducts the selection procedure for the Statutory Auditors, in preparation for decisions to be made by the Board of Directors, and makes sure they are independent. It issues a recommendation concerning the Statutory Auditors proposed for appointment at the Annual General Meeting. It examines the fees charged by them.

The Committee meets at least twice a year prior to the approval of the annual and interim results, where necessary with the assistance of any modern communication system.

A schedule of Committee meetings is drawn up at the end of the previous year. 10 to 15 days prior to the Committee meeting, a notice of meeting, including the agenda and draft minutes of the previous meeting, is sent electronically to each member to enable him/her to make any observations concerning the draft version. Where appropriate, in the week preceding the Committee meeting, the members are sent files electronically containing the preparatory documents for the agenda points.

The Committee met twice during 2018. The average attendance rate at this Committee was 100%.

In 2018, the Committee considered the following matters:

- **financial statements:** review of the parent company and consolidated financial statements for the year ended 31 December 2017 and of the management report on business trends and results in 2017, review of the dividend policy, review of the first-half 2018 consolidated financial statements and interim financial report, review of draft press releases on financial statements;
- **risk management and internal control:** review of the Company's risk mapping.

The Finance and Audit Committee reports to the Board of Directors on its work.

SUMMARY OF 2018 ATTENDANCE AT MEETINGS OF THE BOARD AND BOARD COMMITTEES

The following table provides an overview of the number of meetings of the Board and of Board Committees in the year ended 31 December 2018, their members and members' attendance at the various meetings.

DIRECTORS	Board of Directors	Governance, Appointments and Remuneration Committee	Investments and Shareholdings Committee	Finance and Audit Committee
Robert Peugeot	100%	-	100%	-
Jean-Philippe Peugeot	100%	100%	100%	-
Marie-Hélène Peugeot-Roncoroni	100%	100%	100%	-
Georges Chodron de Courcel	100%	-	100%	-
Luce Gendry	89%	100%	-	100%
Anne Lange	100%	-	100%	100%
Dominique Netter	100%	100%	100%	-
Christian Peugeot	89%	-	-	100%
Xavier Peugeot	89%	-	100%	-
Marie-Françoise Walbaum	100%	100%	100%	-
Average attendance rate	**97%**	**100%**	**100%**	**100%**

EVALUATION OF THE EFFECTIVENESS OF THE BOARD OF DIRECTORS

In accordance with its Internal Rules, the Board holds an annual debate concerning its composition, its organisation and its operating procedures. Every third year, it conducts a formal evaluation.

In 2017, the Company retained the services of an external firm to conduct a formal evaluation of the Board which helped to identify several areas for improvement.

In 2018, the Board of Directors discussed its operating procedures at its meeting on 14 January 2019. It specifically considered actions taken to address the main areas for improvement identified in the previous evaluation:

- recruitment of a female independent director with experience in new technologies/disruption: Anne Lange, who possesses digital expertise, was appointed as a director of FFP, on the recommendation of the Board at the General Meeting on 17 May 2018;
- organisation of a strategy seminar every 18-24 months with the Company's management team: a strategy seminar took place from 15 to 17 October 2018, and there are now plans to hold future strategy seminars every 12-18 months;
- annual portfolio review presentation to the Investments and Shareholdings Committee and then to the Board of Directors: timetables for the work of the Investments and Shareholdings Committee and the Board have been amended to include this review;
- arrangement of an annual executive session: an executive session took place at the Board meeting of 14 January 2019, which was not attended by the Company's Chairman and Chief Executive Officer nor its Deputy Chief Executive Officer;
- update to the risk mapping: a new risk mapping was presented to the Board;
- increase in the level above which the Board has to approve investments presented by the Company's management team: the level above which the Board has to approve investments presented by the Company's management team was raised by 66%.

POWERS OF EXECUTIVE MANAGEMENT

M. Robert Peugeot has been FFP's Chairman and Chief Executive Officer since February 2002. The Board of Directors took the view that combining the roles of Chairman and Chief Executive Officer was appropriate given the specific nature of FFP's ownership structure and fostered rapid decision-making.

In this role, he is assisted by Bertrand Finet, who has been the Deputy Chief Executive Officer since January 2017. The Deputy Chief Executive Officer oversees implementation on a day-to-day basis of the general policy defined in advance with the Chairman and Chief Executive Officer. The powers of the Chairman and Chief Executive Officer and of the Deputy Chief Executive Officer, who possesses the same power to bind the Company vis-à-vis third parties, are not restricted by either the Articles of Association or by the decision of the Board of Directors concerning their appointment. Even so, the Board of Directors sets a cap to their rights to authorise the grant, on the Company's behalf, of security interests, endorsements or guarantees, as stated below.

The Board of Directors reserves the right to cap the size of investments that may be made by Executive Management in certain asset classes without its formal approval.

2.3 Excerpts from the Articles of Association related to corporate governance

ADMINISTRATION
(ARTICLE 9 OF THE ARTICLES OF ASSOCIATION)

The Company is administered by a Board of Directors with between 3 and 12 members, subject to the exception provided for in the event of a merger.

Throughout his/her term in office, each director must hold at least ten shares.

Directors are appointed for a term of four years.

The number of individuals and permanent representatives of legal entities aged over 75 may not account for more than one-third of the directors in office, with this proportion being assessed and taking effect at each annual Ordinary General Meeting.

Should this upper limit be breached and unless a sufficient number of directors aged over 75 resign voluntarily, as many as necessary of the oldest directors shall be deemed to have resigned at the close of the aforementioned annual Ordinary General Meeting to satisfy the one-third limit.

Even so, if the oldest director has held the position of Chairman or Chief Executive Officer, he/she will remain in office and the next oldest directors after him/her will be deemed to have resigned.

No directors aged over 75 at the date of the General Meeting may be reappointed for another term. Likewise, legal entities reappointed as directors for a further term in office, may not be represented by a person aged over 75 on the date of their reappointment.

CHAIRMAN AND CHIEF EXECUTIVE OFFICERS
(ARTICLE 11 OF THE ARTICLES OF ASSOCIATION)

The Board of Directors elects an individual from among its members as Chairman and determines his/her remuneration.

The Chairman is appointed for a period that may not exceed the term of his/her appointment as a director. The Chairman may be reappointed.

Irrespective of the term for which he/she is appointed, the duties of Chairman come to an end automatically no later than at the close of the first Ordinary General Meeting held after the date on which he/she reaches the age of 75.

The Chairman represents the Board of Directors. He/she organises and leads its work and reports on it to the General Meeting. He/she is responsible for the smooth running of the Company's internal decision-making bodies and in particular makes sure that directors are able to perform their duties.

When also holding the duties of Chief Executive Officer, his/her powers will be those laid down in the following "Executive Management" article.

A director may be appointed as Vice-Chairman of the Board of Directors with the role of convening and chairing Board meetings should the Chairman be unable to attend, resign or die.

EXECUTIVE MANAGEMENT (ARTICLE 12 OF THE ARTICLES OF ASSOCIATION)

Responsibility for the Company's Executive Management falls to either the Chairman of the Board of Directors or another individual appointed by the Board of Directors as Chief Executive Officer.

The Board of Directors shall choose between the two modes of Executive Management referred to in the preceding sub-section. Shareholders and third parties will be informed of the choice as provided for in a decree to be published.

When the Chairman of the Board of Directors has responsibility for Executive Management, the provisions of this Article concerning the Chief Executive Officer shall apply to him/her.

The Chief Executive Officer holds the broadest of powers to act on the Company's behalf in all circumstances. He/she exercises these powers subject to the powers expressly reserved by law for general meetings and the powers specially reserved for the Board of Directors, and must not exceed the corporate objects.

He/she represents the Company in its dealings with third parties.

The Chief Executive Officer binds the Company even by acts that do not fall within the corporate objects, unless the Company can prove that the third party knew that the act exceeded the corporate objects or could not fail to have known that such were the case in the circumstances. Mere publication of the Articles of Association does not suffice as proof thereof.

The Board of Directors may restrict the powers of the Chief Executive Officer, but any such limitation is not binding on third parties.

The Chief Executive Officer may partially delegate his/her authority to as many representatives as he/she deems fit.

On the recommendation of the Chief Executive Officer, the Board of Directors may appoint one or more Deputy Chief Executive Officers, up to a maximum of five.

The Deputy Chief Executive Officers shall be individuals and may be selected from among the directors or from outside the Board.

Should the Chief Executive Officer die, resign or be dismissed, the Deputy Chief Executive Officers retain their duties and their powers until a new Chief Executive Officer is appointed, unless the Board decides otherwise.

In conjunction with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers granted to the Deputy Chief Executive Officers. Any restrictions on these powers are not binding on third parties, with each Deputy Chief Executive Officer possessing the same powers vis-à-vis them as the Chief Executive Officer.

Where a Deputy Chief Executive Officer is also a director, the term of his/her duties may not exceed the length of his/her appointment as a director.

The age limit is 70 years of age for the position of Chief Executive Officer and Deputy Chief Executive Officer, with the relevant individual's duties coming to an end at the close of the first Annual Ordinary General Meeting following the date of his/her relevant birthday.

2.4. FFP's Internal Rules and Code of Ethics

INTRODUCTION

The Board of Directors drew up the terms of these Internal Rules, which present the rules of conduct applicable to all directors and individuals attending meetings of the Board.

The aim of these Internal Rules, which were updated by the Board on 17 September 2018, is to establish and stipulate, alongside the provisions of law, the regulations and the Articles of Association, how the Board and the Board Committees should be organised and operate, in the interests of the Company and its shareholders. They also lay down the rights and duties of each Board member.

The Company's Board of Directors refers to the corporate governance principles established in the AFEP-MEDEF Corporate Governance Code.

THE BOARD OF DIRECTORS

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board of Directors is a collective decision-making body that represents all the shareholders.

Pursuant to Article 10 of the Articles of Association, the Board of Directors sets the Company's long-term direction and oversees its implementation.

On the recommendation of the Chairman, the Board of Directors sets the Company's strategic direction. The Chairman must ensure the relevance, reliability and clarity of the information provided to shareholders and investors, in line with the applicable accounting standards.

Specifically for investments in and divestments of shareholdings, the Board of Directors makes a decision concerning the plan presented by the Chairman and reviewed by the Investments and Shareholdings Committee, except for investments where the sums invested do not exceed the upper limit set by the Board of Directors, which are given the go-ahead by Executive Management.

On a case-by-case basis, the Board of Directors may set price limits that may not be breached in its decision or attach any other specific conditions that must be abided by.

Subject to the powers expressly granted to general meetings and without exceeding the corporate objects, the Board considers any matters influencing the smooth running of the Company and settles any issues affecting it.

The Board conducts the controls and checks that it deems appropriate. Each director receives all the information needed to undertake his/her duties and may ask for any documents that he/she considers useful.

The Board may decide to set up Committees responsible for studying issues that it or its Chairman submits for their consideration. It determines the composition and terms of reference for Committees, which operate under its authority. The Committees may not make decisions in place of the Board, except where the Board specifically gives authority to do so.

COMPOSITION OF THE BOARD

The Board of Directors elects a Chairman from among its members and, if it deems appropriate, one or more Vice-Chairmen. The Vice-Chairman is responsible for replacing the Chairman if he/she is unable to attend.

The Board also appoints a person to act as Secretary, who may or may not be a Board member. The Secretary makes sure that the Board follows its own operating rules. The Secretary prepares the minutes from meetings of the Board and the Board Committees and circulates them. He/she is authorised to provide certified copies or excerpts from said minutes.

At least one-third of the Board members must qualify as independent directors. The Board has adopted the AFEP-MEDEF Corporate Governance Code's definition of an independent member. This states that a member is to be considered as independent where he/she has no relationship of any type whatsoever with the company, its group or its managers liable to compromise his/her independence of judgement.

To this end, in qualifying a member as independent the Board may be guided by the criteria below, which state that the individual must not:

- be an employee or executive officer of the company, or an employee or director of its parent or of a company that the latter consolidates, and not have been in such a position for the previous five years;
- be an executive officer of a company in which the company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office for less than five years) is a director;
- be a customer, supplier, investment banker or commercial banker:
  - that is material to the company or its group,
  - or for a significant part of whose business the company or its group accounts;
- be related by close family ties to an executive officer;
- have been an auditor of the company within the previous five years;
- have been a director of the company for more than 12 years.

Every year, the independence of each of the directors is discussed by the Governance, Appointments and Remuneration Committee and reviewed on a case-by-case basis by the Board of Directors according to the criteria outlined above.

Whenever a new director is appointed or an existing director reappointed, his/her independence is also discussed.

OPERATING PROCEDURES

NOTICE OF BOARD MEETINGS

The Board of Directors meets as often as required by the Company's interests, when convened by the Chairman or, failing this, by one of the duly appointed Vice-Chairmen.

Except in special circumstances, notices of meeting shall be sent out in writing at least eight days prior to each meeting. Notice of Board meetings may be given in any form, in writing or orally.

That said, when circumstances require and when the timing of transactions is not aligned with that of its meetings, especially when investments and disposals are involved, the Chairman may solicit the Board's position by convening an exceptional meeting with 24 hours' notice.

The schedule of Board meetings for the following year is set no later than by 31 December, except for extraordinary meetings.

As far as possible, the requisite documents for informing directors about the agenda and about all the matters submitted for the Board's consideration should be enclosed with the notice of meeting or sent to them a reasonable time in advance of the meeting.

Any person who is not a member of the Board of Directors may be invited to attend all or part of its meetings if the Chairman of the Board of Directors so decides. He/she may not take part in the deliberations and is subject to the same confidentiality undertakings as directors.

INFORMATION FOR BOARD MEMBERS

When making decisions, directors must ensure that they have the information they deem essential for the smooth running of the Board and the Board Committees. If it is not available, or if they believe it is not available, they must request it.

Such requests should be made to the Chairman and Chief Executive Officer, who must ensure that directors are able to perform their duties.

At each meeting, the Chairman gives an update on the transactions entered into since the previous meeting and on the main projects in progress and likely to go ahead before the next Board meeting. Every year the Board conducts a review of the key points in the management report and of the deliberations presented to the General Meeting of the Shareholders. Furthermore, the Board of Directors is informed by Executive Management at least once every six months of the Company's financial position, cash position and commitments.

Between meetings, the directors are sent any useful information concerning the Company, if its importance or urgent nature so requires.

The Board of Directors may entrust one or more of its members, or third parties, with special duties or assignments, such as to conduct a study of one or more given matters.

BOARD DELIBERATIONS

For the Board of Directors to transact business validly, at least half the total number of its members must be present.

Directors may be represented by another director pursuant to a written power of attorney.

Decisions are made based on a majority vote of members present or represented. In the event of a split vote, the Chairman of the meeting holds a casting vote.

PARTICIPATION IN BOARD MEETINGS VIA VIDEO- OR TELECONFERENCING SYSTEMS

Directors may participate in a Board meeting using a video- or teleconferencing system permitting their identification and allowing them to take part effectively. In this case, they shall be deemed present for the purpose of determining the quorum and the majority of votes.

Nonetheless, these systems for attending Board meetings may not be used for the purpose of determining the quorum and a majority of votes when the Board of Directors is called upon to approve the Company's parent-company financial statements and the consolidated financial statements and also to consider the management report, including the Group's management report.

MINUTES

The Board's deliberations must be clear. The minutes of meetings must provide a summary of discussions and state the decisions made. They are especially important because they provide, if needed, a record of how the Board undertook its duties. Without being unnecessarily detailed, they must succinctly state the questions raised and reservations expressed.

The minutes of Board meetings are prepared after every meeting and sent to all Board members, who are invited to make observations. Any observations are then discussed at the following Board meeting. The definitive minutes of the previous meeting are then approved by the Board.

EVALUATION OF THE BOARD'S EFFECTIVENESS

The Board of Directors must ensure that it conducts an evaluation from time to time of its and its Committees' composition, organisation and procedures. The Board provides an annual update on this point, and a formal evaluation led by the Chairman of the Board of Directors is conducted every three years.

REMUNERATION

The Board of Directors allocates the attendance fees allotted by the Annual General Meeting on the recommendation of the Governance, Appointments and Remuneration Committee. This allocation takes into account the duties performed by the directors for the Board and the Board Committees, as well as their actual attendance.

ROLE OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Board of Directors elects a Chairman from among its members, who must be an individual. The Chairman is appointed for a term that may not exceed that of his/her appointment as a director.

The Board of Directors chooses which mode of Executive Management is to be adopted. At its meeting on 11 March 2002, it opted for the combined form, that is the Chairman of the Board also serves as the Company's Chief Executive Officer.

The Chairman runs the Board of Directors' meetings, organising and directing its work. He/she is responsible for the smooth running of the Company's internal bodies, including its Committees.

As Chief Executive Officer, he/she implements the strategic direction set by the Board of Directors and oversees day-to-day management of the Company. For investments exceeding the upper limit set by the Board of Directors and divestments of shareholdings, the Chairman and Chief Executive Officer is responsible for implementing in the interests of the Company the decisions made by the Board of Directors as effectively as possible, and he/she reports to it subsequently. He/she may be assisted by a Deputy Chief Executive Officer.

The Chairman and Chief Executive Officer represents the Company vis-à-vis third parties.

BOARD COMMITTEES

RULES COMMON TO ALL THE COMMITTEES

The Board of Directors may decide to set up Committees. It then lays down their terms of reference, and they operate under its authority. These Committees play a role in studying and preparing certain Board discussions and submit to the Board their opinions, proposals and recommendations.

The Board has three Committees:

- a Governance, Appointments and Remuneration Committee;
- an Investments and Shareholdings Committee;
- a Finance and Audit Committee.

The Committee members are chosen from among the Board members. They are selected by the Board on the recommendation of the Governance, Appointments and Remuneration Committee. The length of their appointment is aligned with their term in office as a director, it being understood that the Board of Directors may at any time make changes to the composition of the Committees and thus terminate a Committee member's appointment. A Committee member may be reappointed at the same time as his/her term in office as a director is renewed.

On the recommendation of the Governance, Appointments and Remuneration Committee, a chairman is selected by the Board from among each Committee's members, for a term identical to that of his/her appointment as a director.

Each of the Committees determines the internal rules applicable to the conduct of its work. The Board Secretary handles the secretarial duties for the Board Committees, except for the Governance, Appointments and Remuneration Committee, for which the Chairman appoints another secretary.

The Committees meet whenever they are convened by their chairman, which is whenever he/she or the Board deem this to be appropriate.

The agenda for the meetings is set by the Committee's chairman, in conjunction with the Chairman of the Board, when the latter convenes the meeting. The agenda is sent to Committee members prior to the meeting together with information pertinent to discussions.

Each Committee member may be represented by another member of the same Committee pursuant to a written power of attorney. Each Committee is deemed to validly transact business when at least half its members are present or represented. A simple majority vote is required to pass resolutions. The chairman of each Committee has a casting vote in the event of a split vote. In an emergency, each Committee may validly transact business by consulting its members individually.

Each Committee reports on how it has undertook its duties at the following meeting of the Board of Directors. Unless special arrangements are made, the minutes of each meeting are drawn up by the secretary of the meeting appointed by the Committee chairman, acting under his/her authority. They are sent to all the Committee members. The Committee chairman decides on how he/she reports to the Board on its work.

GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE

COMPOSITION

The Committee must have at least three members, who are directors of the Company.

It is chaired by an independent director and consists of a majority of independent directors.

The Chairman of the Board shall be involved in the Committee's work, except with regard to issues concerning him/her.

ROLE

The role of the Governance, Appointments and Remuneration Committee is to:

Board of Directors:

- submit proposals to the Board of Directors concerning the appointment or reappointment of directors;
- submit proposals to the Board of Directors concerning the composition of Committees or the Board;
- conduct from time to time an assessment of the structure, size and composition of the Board of Directors and make recommendations to it concerning any possible changes;
- review from time to time the criteria used by the Board to qualify a director as independent; examine every year on a case-by-case basis the status of each director or director candidate based on the independence criteria adopted.

Chairman and Chief Executive Officer and Deputy Chief Executive Officer:

- examine, as and when required, including upon the expiry of the relevant terms in office, whether to reappoint the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer;
- examine the succession plan for executive officers applicable in particular in the event of the unexpected vacation of their office;
- examine the individual remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer and make the corresponding recommendations to the Board;
- propose the remuneration of the Vice-Chairman/ Vice-Chairmen;
- examine and propose to the Board of Directors the amount and scale for dividing up the attendance fees allotted to the directors and to the Committee members;
- examine Executive Management's proposals concerning the general policy for the award of stock options and the general policy on incentives.

Company's representatives on the Board of Directors or Supervisory Board of third-party companies:

- appoint the Company's representatives on the Board of Directors or Supervisory Board of third-party companies.

Governance:

- inform the Board about the possible modes of Executive Management;
- examine changes in the corporate governance rules, especially those affecting the Code to which the Company refers and inform the Board thereof; monitor application of the corporate governance rules laid down by the Board of Directors and ensure shareholders are kept abreast of this issue;
- make preparations for the evaluation of the Board and the Board Committees;
- prepare for Board decisions concerning updates to its Internal Rules.

The Committee chairman makes the Board aware of his/her recommendations.

ORGANISATION OF TASKS

The Committee meets at least once every year, when convened by its chairman. The Committee meets in advance of the approval of the agenda for the Annual General Meeting, to review the draft resolutions to be submitted to it and falling within its authority.

A Committee member may not take part in voting when, where appropriate, the Committee is considering his/her reappointment or remuneration.

THE INVESTMENTS AND SHAREHOLDINGS COMMITTEE

COMPOSITION

The Committee must have at least three members, who are directors of the Company.

ROLE

The Committee formulates an opinion on the investment and disposal files presented to it by FFP's Executive Management, before formal approval is given to them by the Board of Directors, where the sums invested exceed the upper limit set by the Board of Directors. To this end, it reviews all aspects of the transactions and makes sure that they are consistent with FFP's strategy, meet its investment criteria and are compatible with its financial position. Treasury investments and portfolio investment securities are not covered by this procedure.

In addition, on behalf of the Board of Directors, the Committee monitors the activities of companies in which FFP, FFP INVEST and FFP Investment UK Ltd have a shareholding. To this end, the Committee keeps track of the activities and results of shareholdings, analyses their strategy and recommends the position to be adopted on decisions proposed to the corporate bodies of the portfolio holdings when FFP, FFP INVEST or FFP Investment UK Ltd are represented directly or indirectly on the Board of Directors or Supervisory Board of said shareholdings.

ORGANISATION OF TASKS

The Committee meets when convened by its chairman as many times as necessary and at least twice a year.

FINANCE AND AUDIT COMMITTEE

COMPOSITION

The Committee must have at least three members, who are non-executive directors of the Company.

It is chaired by an independent director, and at least two-thirds of its members must be independent.

The members must have financial or accounting skills and knowledge.

ROLE

The Finance and Audit Committee is responsible for preparing for decisions on financial and accounting matters to be made by the Board of Directors.

Without prejudice to the authority of the Board of Directors and Executive Management, the Committee has particular responsibility for monitoring:

- the process of preparing annual financial information.

It examines the parent-company financial statements of FFP and of its subsidiaries FFP INVEST and FFP Investment UK Ltd, and also FFP's consolidated financial statements, prior to meetings of the Board of Directors responsible for approving the annual or interim financial statements. It studies any plan to introduce accounting guidelines or change accounting methods and keeps track of accounting standards. It makes sure that accounting and financial information is produced in line with the statutory requirements, the recommendations of the regulatory authorities and the Company's internal procedures:

- the effectiveness of internal control and risk management systems.

It ensures that there is a process for identifying and analysing risks likely to have an impact on financial and accounting information. It oversees its introduction and makes sure that remedial measures are implemented to rectify shortcomings identified. It examines the insurance policy adopted:

- the statutory audit of the annual financial statements and the consolidated financial statements by the Statutory Auditors.

It examines the conclusions drawn by the Statutory Auditors based on their procedures and ensures that their recommendations are implemented. The Committee, which has access to all the information it requires, may meet with FFP's, FFP INVEST's and FFP Investment UK Ltd's Statutory Auditors, without the Executive Management team being present. It examines the main points of the investor relations policy:

- the independence of the Statutory Auditors.

It conducts the selection procedure for the Statutory Auditors, in preparation for decisions to be made by the Board of Directors, and makes sure they are independent. It issues a recommendation concerning the Statutory Auditors proposed for appointment at the Annual General Meeting. It examines the fees charged by them.

ORGANISATION OF TASKS

The Committee meets at least twice a year prior to the approval of the annual and interim results, where necessary with the assistance of any modern communication system.

To this end, a schedule of Committee meetings is drawn up by the Board of Directors, without prejudice to the stipulations of these Internal Rules as to how meetings of the Committees may be convened.

DIRECTORS' CHARTER

KNOWLEDGE OF AND COMPLIANCE WITH THE REGULATIONS

Before accepting the duties of a member of the Board of Directors, candidates must make sure that they are aware of the general and specific obligations incumbent on directors. In particular, they must familiarise themselves with the provisions of law and the regulations in force concerning their duties, the Company's Articles of Association, the recommendations of the AFEP-MEDEF Corporate Governance Code and these Internal Rules. They must ensure that they abide by these rules, especially those concerning:

- the definition of the powers of the Board of Directors;
- the total number of appointments that may be held simultaneously;
- incompatibilities and incapacity;
- agreements entered into between a director and the Company;
- the prevention of insider dealing and the obligations to disclose transactions in the Company's shares.

FFP's Articles of Association and this charter shall be given to them before their duties commence. Accepting the appointment as a director shall automatically entail compliance with this charter.

OWNERSHIP OF A MINIMUM NUMBER OF SHARES

Each director shall hold in his/her own name at least ten shares of FFP throughout his/her term in office.

The shares in the Company held by a director for personal purposes and for his/her spouse (where not legally separated), unemancipated child or through any other third parties, must be held in registered form: either directly with the Company itself or its agent (Caceis) or through an intermediary, the contact details of which must be provided to the Board Secretary.

DUTY TO ACT IN THE INTERESTS OF THE COMPANY AND DUTY OF LOYALTY

The director represents all the Company's shareholders and must act in the corporate interests of the Company in all circumstances.

The director must inform the Board of Directors of any existing or potential conflicts of interest with FFP. He/she must refrain from taking part in the corresponding voting.

To this end, each director must provide a solemn declaration concerning the actual or potential existence of a conflict of interest:

a) upon taking office

b) every year in response to a request made by the Company upon preparation of the Registration Document

c) at any time should the Chairman so request

d) within ten business days of the occurrence of any event making the previous declaration partially or wholly inaccurate.

The director is bound by a duty of loyalty. To this end, he/she must not make a personal commitment to a business competing with the Company or its Group, without informing the Board of Directors and having gained its approval.

DUTY OF CARE AND TO ATTEND MEETINGS

Every director must stay informed and devote the requisite time to conducting his/her duties.

Every director must endeavour to take part in all meetings of the Board and Committees on which he/she serves and to attend all General Meetings of the Shareholders.

For transparency's sake, the Registration Document indicates the directors' attendance record at meetings of the Board of Directors and its Committees.

DIRECTORS' TRAINING

Directors must possess highly extensive knowledge of the Company's specific characteristics, its business activities and its business lines.

Upon his/her appointment and throughout his/her term in office, every director may receive the training deemed necessary for the conduct of his/her duties.

This training is arranged and offered by the Company, which bears the associated cost.

DUTY OF DISCRETION AND PROFESSIONAL SECRECY

Generally speaking, all the files considered at meetings of the Board of Directors and the information gathered during or outside Board meetings are confidential without any exceptions, irrespective of whether the information gathered is presented as confidential by the Chairman.

Aside from the duty of discretion provided for by the provisions of law and the regulations in force, every member of the Board of Directors must consider themselves bound by professional secrecy.

Accordingly,

- director may not use, in whole or in part, the information to which he/she is made privy during his/her term in office or disclose it to a third party for any reason whatsoever;
- Board members undertake not to engage in individual discussions outside the internal deliberations of the Board of Directors concerning the matters raised at its meetings and about the opinions expressed by each Board member;
- all members must take any appropriate action to ensure that this confidentiality is maintained, especially by taking measures to secure the files and documents provided.

This information loses its confidential status and personal nature once it has been made public by the Company in any manner whatsoever.

These confidentiality requirements shall also apply to any person invited to attend meetings of the Board and the Board Committees.

CODE OF ETHICS

PRINCIPLES

Every member of the Board of Directors receives, in the normal course of his/her duties, insider information on a regular basis, which has the following characteristics:

- it is precise;
- it is not publicly available;
- it relates to the Company or any company in its Group, its business activities or financial position;
- if made public, it would be likely to have a significant effect on the price of the Company's shares (i.e. it is price-sensitive).

Accordingly, every member of the Board of Directors may appear on the lists of insiders drawn up by the Company and made available to the AMF.

Inside information must be used by the director solely for the conduct of his/her duties as a director. It must not be disclosed in any circumstances to a third party outside the scope of his/her duties as a director for purposes other, or for activities other than those for which it was held.

Every director must refrain from entering personally or through a third party into transactions in shares of the Company for as long as they hold, by virtue of his/her duties or presence at a meeting of the Board or a Committee, information that has not yet been made public and that may influence the share price.

It is each director's personal responsibility to assess whether information to which he/she is privy constitutes inside information and, accordingly, to decide whether he/she may or should refrain from using or disclosing the information or trading or commissioning any transaction in the Company's shares.

PROHIBITED PERIODS

During the period prior to publication of any inside information to which they are privy, the members of the Board of Directors, given their status as insiders, must refrain, pursuant to the law, from entering into any transactions in the Company's shares.

In addition, they are not permitted, in accordance with the AMF's recommendations, to enter into any transaction in the Company's shares during the 30-day period prior to the date of the press releases containing the full-year and the interim results.

The schedule of these announcements will be provided to directors at the beginning of every year.

INSIDER DEALING

Directors are informed about the provisions in force concerning the possession of inside information and insider dealing in Article L. 465-1 et seq. of the French Monetary and Financial Code and Article 8 et seq. of Regulation (EU) no. 596/2014 of 16 April 2014 on market abuse.

DUTY TO DECLARE TRANSACTIONS IN THE COMPANY'S SHARES

In accordance with the applicable regulations, the directors and connected persons, as defined by decree, must make a declaration to the AMF of acquisitions, disposals, subscriptions for or exchanges of shares in the Company, as well as transactions in related financial instruments, where the aggregate amount of these transactions exceeds €20,000 in the current year.

Directors and connected persons shall send their statements to the AMF electronically within three trading days following execution of the transaction.

Persons making a declaration to the AMF send a copy of their declaration to the Secretary of the Board of Directors.

The statements are then made available online on the AMF's website, and an annual summary is provided in the Company's Registration Document.

PROHIBITED TRANSACTIONS

The directors are prohibited from entering into any short or deferred settlement transactions in any financial instruments related to shares issued by the Company.

ALTERATIONS TO THE INTERNAL RULES

The Internal Rules may be amended at any time by the Board by means of a simple majority vote by members present or represented.

2.5 Remuneration and benefits of any kind paid to corporate officers

The information in this document takes into account the recommendations laid down in the AFEP-MEDEF Corporate Governance Code, AMF recommendation no. 2012-02 combining all the recommendations published since 2009 by the AMF applicable to companies stating that they refer to the AFEP-MEDEF Corporate Governance Code, and the AMF's 2018 report on corporate governance and executive compensation.

TOTAL REMUNERATION PAID DURING 2018 TO CORPORATE OFFICERS BY THE COMPANY AND, WHERE APPROPRIATE, BY CONTROLLED AND CONTROLLING COMPANIES

(€)	FFP	Controlled companies	Controlling company (1)
Robert Peugeot, Chairman and Chief Executive Officer	723,996	None	47,000
Jean-Philippe Peugeot, Vice-Chairman and Director	85,500	None	553,996 (2)
Marie-Hélène Peugeot-Roncoroni, Vice-Chairman and Director	85,500	None	194,533 (3)
Georges Chodron de Courcel, Director	76,500	None	None
Luce Gendry, Director	81,500	None	None
Anne Lange, Director	42,500	None	None
Dominique Netter, Director	76,500	None	None
Christian Peugeot, Director	59,000	None	74,000
Xavier Peugeot, Director	64,500	None	39,000
Patrick Soulard, Director	35,000	None	None
Marie-Françoise Walbaum, Director	77,000	None	None
Bertrand Finet, Deputy Chief Executive Officer	744,662	None	None

REMUNERATION PRINCIPLES OF MEMBERS OF FFP'S BOARD OF DIRECTORS

In connection with the overall allocation of attendance fees authorised by FFP's Annual General Meeting, directors' remuneration is determined by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee.

For the record, an allocation of €850,000 was authorised by shareholders at the Annual General Meeting on 17 May 2018.

At the Board of Directors' meeting on 17 May 2018, the principles were laid down for the allocation of attendance fees with a larger variable portion, in accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code.

The annual remuneration paid to the Chairman and the two Vice-Chairmen consists of a fixed sum of €25,000, whereas the directors receive an annual fixed sum of €20,000.

The variable allocation stands at €4,000 per meeting attended, subject to a cap of 8 meetings per year, or a maximum amount of €32,000 p.a.

Each Committee member receives €2,000 p.a. in fixed remuneration, plus a variable allocation of €3,500 per Committee meeting attended, subject to a cap of €10,500 p.a., except for the Investments and Shareholdings Committee, for which the cap on variable allocation payments is set at €17,500.

The Chairman of each Committee receives a fixed allocation of €10,000.

Where members attend a Board meeting by conference call, the variable allocation is reduced by half from the second such meeting, and for Committee meetings, no variable allocation is paid from the second meeting attended by conference call onwards.

(1) This refers to Établissements Peugeot Frères (EPF).
(2) This refers, in addition to attendance fees, to the remuneration paid to Jean-Philippe Peugeot, in his capacity as Chairman and Chief Executive Officer of EPF.
(3) This refers, in addition to attendance fees, to the remuneration paid to Marie-Hélène Peugeot-Roncoroni, in her capacity as Deputy Chief Executive Officer of EPF.

REMUNERATION PRINCIPLES OF EXECUTIVE OFFICERS

The remuneration policy for FFP's executive officers is laid down by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee.

TABLE 1

Summary of remuneration, options ans shares awarded to each executive officer

	FY 2017 (€)	FY 2018 (€)
Robert Peugeot Chairman and Chief Executive Officer		
Remuneration due in respect of the financial year (details in Table 2)	692,715	723,996
Value of long-term incentive plans granted during the financial year	Not applicable	Not applicable
Value of options awarded during the financial year	Not applicable	Not applicable
Value of performance shares allotted during the financial year (details in Table 6)	461,130 (5,508 shares)	833,000 (8,500 shares)
TOTAL	1,153,845	1,556,996
Bertrand Finet Deputy Chief Executive Officer		
Remuneration due in respect of the financial year (details in Table 2)	702,986	704,996
Value of long-term incentive plans granted during the financial year	Not applicable	Not applicable
Value of options awarded during the financial year	Not applicable	Not applicable
Value of performance shares allotted during the financial year (details in Table 6)	396,247 (4,733 shares)	637,000 (6,500 shares)
TOTAL	1,099,233	1,341,996

The value of the performance shares allotted during the financial year is calculated using the method applied for the consolidated financial statements (IFRS 2). It reflects FFP's share price at the date of allotment of the performance shares, less the estimated value of the dividend over the following three years.

This measurement does not factor in any uncertainty related to the risk that the performance conditions will not be achieved. Accordingly, the final cost at the end of the plan may differ significantly.

TABLE 2

Summary of each executive officer's remuneration

	FY 2017		FY 2018	
	Amounts due (€)	Amounts paid (€)	Amounts due (€)	Amounts paid (€)
Robert Peugeot Chairman and Chief Executive Officer				
Fixed compensation	630,279	630,279	640,000	640,000
Bonus	None	None	None	None
Exceptional payments	None	None	None	None
Attendance fees	59,640	59,640	81,000	81,000
Benefits in kind (vehicle)	2,796	2,796	2,796	2,796
Other benefits (back-to-school bonus)	None	None	200	200
TOTAL	692,715	692,715	723,996	723,996
Bertrand Finet Deputy Chief Executive Officer				
Fixed compensation	550,190	550,190	600,000	591,666 (1)
Bonus	150,000	None	102,000	150,000
Exceptional payments	None	None	None	None
Attendance fees	None	None	None	None
Benefits in kind (vehicle)	2,796	2,796	2,796	2,796
Other benefits (back-to-school bonus)	None	None	200	200
TOTAL	702,986	552,986	704,996	744,662

TABLE 3

Attendance fees paid to each director

	Attendance fees paid in 2017 (€)		Attendance fees paid in 2018 (€)	
Board members	FFP	Controlling company (2)	FFP	Controlling company (2)
Robert Peugeot	59,640	38,000	81,000	47,000
Jean-Philippe Peugeot	81,226	36,000	85,500	71,000
Marie-Hélène Peugeot-Roncoroni	84,140	36,000	85,500	56,000
Georges Chodron de Courcel	69,225	None	76,500	None
Luce Gendry	66,311	None	81,500	None
Anne Lange	None	None	42,500	None
Dominique Netter	53,726	None	76,500	None
Christian Peugeot	53,726	68,000	59,000	74,000
Xavier Peugeot	53,726	30,000	64,500	39,000
Patrick Soulard	69,140	None	35,000	None
Marie-Françoise Walbaum	69,140	None	77,000	None
TOTAL	660,000	208,000	764,500	287,000

TABLE 4

Stock options awarded during the year to each executive officer

Not applicable.

TABLE 5

Stock options exercised during the year by each executive officer

Not applicable.

(1) The 2018 remuneration decided upon by the Board of Directors comes into effect from 1 March of the current calendar year.
(2) This refers to Établissements Peugeot Frères (EPF).

TABLE 6

Performance shares allotted during the year to each executive officer

	Robert Peugeot, Chairman and Chief Executive Officer	**Bertrand Finet,** Deputy Chief Executive Officer
Nº and date of plan	Plan nº 3 of 17 May 2018	Plan nº 3 of 17 May 2018
Number of shares allotted during FY	8,500	6,500
Value of shares based on the method adopted in the consolidated financial statements	€833,000	€637,000
Vesting date	17 May 2021	17 May 2021
Availability date	17 May 2021	17 May 2021
Performance conditions	**Absolute performance criteria:** • definitive vesting of one-third of the shares allotted if the rise in FFP's total NAV (including PSA Group) averages 5% p.a. over the period from 31 December 2017 to 31 December 2020, it being stipulated that if the NAV rises by an average of over 2.5% p.a. without reaching the 5% threshold, only half of these shares will vest. **Relative performance criteria (straight-line vesting):** • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by up to 75bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 225bp over 3 years); • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by more than 75bp p.a. up to a cap of 150bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 450bp over 3 years).	Performance conditions identical to those shown adjacently

The value of the performance shares allotted during the financial year is calculated using the method applied for the consolidated financial statements (IFRS 2). It reflects FFP's share price at the date of allotment of the performance shares, less the estimated value of the dividend over the following three years. This measurement does not factor in any uncertainty related to the risk that the performance conditions will not be achieved. Accordingly, the final cost at the end of the plan may differ significantly.

TABLE 7

Performance shares vesting during the financial year for each executive officer

Not applicable.

TABLE 8

History of stock option awards

Not applicable.

TABLE 9

History of performance share allotments

	Plan n° 1	Plan n° 2	Plan n° 3
Date of the Annual General Meeting	03 May 2016	03 May 2016	17 May 2018
Date of Board meeting/ allotment date	07 July 2016	09 March 2017	17 May 2018
Total number of shares allotted, o/w:	17,277	29,063	31,940
Corporate officers (1) :	6,314	12,823	15,000
Robert Peugeot (2)	4,164	5,508	8,500
Bertrand Finet (2)	Not applicable	4,733	6,500
Share vesting date	07 July 2019	09 March 2020	17 May 2021
End date of lock-up period	Not applicable	Not applicable	Not applicable
Performance conditions	**Absolute performance criteria:** • definitive vesting of one-third of the shares allotted if the rise in FFP's total NAV (including PSA Group) averages 5% p.a. over the period from 31 December 2015 to 31 December 2018. **Relative performance criteria (straight-line vesting):** • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by up to 75bp p.a. over the period from 31 December 2015 to 31 December 2018 (i.e. by 225bp over 3 years); • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by more than 75bp p.a. up to a cap of 150bp p.a. over the period from 31 December 2015 to 31 December 2018 (i.e. by 450bp over 3 years).	**Absolute performance criteria:** • definitive vesting of one-third of the shares allotted if the rise in FFP's total NAV (including PSA Group) averages 5% p.a. over the period from 31 December 2016 to 31 December 2019. **Relative performance criteria (straight-line vesting):** • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by up to 75bp p.a. over the period from 31 December 2016 to 31 December 2019 (i.e. by 225bp over 3 years); • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by more than 75bp p.a. up to a cap of 150bp p.a. over the period from 31 December 2016 to 31 December 2019 (i.e. by 450bp over 3 years).	**Absolute performance criteria:** • definitive vesting of one-third of the shares allotted if the rise in FFP's total NAV (including PSA) averages 5% p.a. over the period from 31 December 2017 to 31 December 2020, it being stipulated that if the NAV rises by an average of over 2.5% p.a. without reaching the 5% threshold, only half of these shares will vest. **Relative performance criteria (straight-line vesting):** • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by up to 75bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 225bp over 3 years); • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by more than 75bp p.a. up to a cap of 150bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 450bp over 3 years).
Number of shares vested on 31 December 2018	None	None	None
Total number of shares cancelled or void	None	None	None
Performance shares outstanding at the end of the year	17,277	29,063	31,940

(1) Corporate officers in office at the allotment date.
(2) Corporate officers in office on 31 December 2018.

TABLE 10

Summary of each executive officer's long-term incentive plan

Not applicable.

TABLE 11

Executive corporate officers	Employment agreement		Supplementary pension plan		Indemnities or benefits due or that may fall due on cessation of or change in duties		Non-compete indemnity	
	Yes	No	Yes	No	Yes	No	Yes	No
Robert Peugeot Chairman and Chief Executive Officer Date of first appointment: 28 June 1979 Year in which current term expires: 2021		•	•			•		•
Bertrand Finet Deputy Chief Executive Officer Since 2 January 2017		•	•		•			•

Corporate officers qualify for the benefit of the defined-contribution supplementary pension plan in force in the Company. Contributions to the plan, which are paid to an insurer, are based on remuneration up to eight times the French Social Security cap (€317,856 in 2018). The contributions paid by the Company stood at €34,980 in 2018 for all the corporate officers.

MISCELLANEOUS UNDERTAKINGS

No new undertakings during 2018 were made by the Company to corporate officers pursuant to Article L. 225-42-1 of the French Commercial Code.

An undertaking was approved in accordance with the procedure for related party agreements at the Board of Directors' meeting held on 9 March 2017 concerning the terms under which Bertrand Finet would receive, should his corporate office be terminated by the Board other than for serious misconduct, a termination benefit amounting to a maximum of 2 years' fixed compensation and bonus provided that he has fulfilled the qualitative and quantifiable performance criteria set by the Board covering the previous two years.

Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, this decision by the Board of Directors was announced in a press release published on the Company's website. The undertaking was also submitted for shareholders' approval at the Annual General Meeting of 11 May 2017 (15th resolution).

Members of the Board of Directors of the Company and/or of any of its subsidiaries do not hold a service contract providing for the grant of benefits at the end of such contract other than those stated in this section.

SHAREHOLDER APPROVAL OF THE FIXED COMPENSATION, BONUSES AND EXCEPTIONAL PAYMENTS COMPOSING THE TOTAL REMUNERATION AND BENEFITS IN KIND OF ANY TYPE PAID OR AWARDED IN THE FINANCIAL YEAR TO 31 DECEMBER 2018 TO EACH EXECUTIVE OFFICER

As specified in the provisions of Article L. 225-100 of the French Commercial Code, the following components of remuneration paid or awarded in respect of the previous financial year to each of the Company's executive officers are subject to shareholders' approval:

- the fixed compensation;
- the annual bonus, and if applicable, the long-term incentive bonus, together with the performance targets on which such bonuses are based;
- exceptional payments;
- stock options, performance shares and any other form of long-term remuneration;
- signing-on bonus or termination benefit;
- supplementary pension plan;
- benefits of any kind.

At the Annual General Meeting of 15 May 2019, shareholders will be requested to approve the remuneration paid or awarded in respect of FY 2018 to each of the Company's executive officers, namely:

- Robert Peugeot, Chairman and Chief Executive Officer;
- Bertrand Finet, Deputy Chief Executive Officer.

SHAREHOLDER APPROVAL OF THE FIXED COMPENSATION, BONUSES AND EXCEPTIONAL PAYMENTS COMPOSING THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID OR AWARDED IN RESPECT OF THE FINANCIAL YEAR TO 31 DECEMBER 2018 TO ROBERT PEUGEOT, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Remuneration	Amounts or accounting value subject to the vote	Presentation
Fixed compensation	€640,000	Gross fixed compensation set by the Board of Directors on 23 March 2018.
Annual bonus	N/A	Robert Peugeot does not benefit from any annual bonus.
Deferred bonuses	N/A	Robert Peugeot does not receive any deferred bonuses.
Long-term incentive plans	N/A	Robert Peugeot does not receive any long-term incentive payments.
Exceptional payment	N/A	Robert Peugeot does not receive any exceptional payments.

Performance shares	€833,000	Robert Peugeot holds performance shares subject to the following:
		Authorisation: Ordinary and Extraordinary General Meeting of 17 May 2018 (18th resolution)
		Allotment decision: Board of Directors' meeting of 17 May 2018
		Vesting period: from 17 May 2018 to 17 May 2021
		Lock-up period: no lock-up period, with shares available for sale from 17 May 2021. Even so, at least 50% of the shares vesting must be held while his duties as corporate officer continue, subject to a cap of 2 years' gross fixed annual compensation
		Number of shares: 8,500, representing 0.034% of FFP's share capital on 31 December 2018 and 130.16% of Robert Peugeot's fixed compensation and bonus
		Performance conditions:
		• absolute performance criteria: definitive vesting of one-third of the shares allotted if the rise in FFP's total NAV (including PSA) averages 5% p.a. over the period from 31 December 2017 to 31 December 2020, it being stipulated that if the NAV rises by an average of over 2.5% p.a. without reaching the 5% threshold, only half of these shares will vest;
		• relative performance criteria (straight-line vesting)
		  • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by up to 75bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 225bp over 3 years)
		  • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by more than 75bp p.a. up to a cap of 150bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 450bp over 3 years).

Attendance fees	€81,000	As stated in the Internal Rules on directors' remuneration, Robert Peugeot received €81,000 pursuant to his appointment as a director of FFP.
Value of benefits of any kind	€2,796	Company car.
Other benefits	€200	Back-to-school bonus.
Termination benefit	N/A	Robert Peugeot is not eligible for any termination benefit.
Non-compete indemnity	N/A	Robert Peugeot is not eligible for any non-compete indemnity.
Supplementary pension plan	No payment	Like the Deputy Chief Executive Officer, Robert Peugeot is a member of the defined-contribution supplementary pension plan in force in the Company. Contributions to the plan, which are paid to an insurer, are based on remuneration up to eight times the French Social Security cap (€317,856 in 2018). The contributions paid by the Company stood at €17,490 in 2018.

SHAREHOLDER APPROVAL OF THE FIXED COMPENSATION, BONUSES AND EXCEPTIONAL PAYMENTS COMPOSING THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID OR AWARDED IN RESPECT OF THE FINANCIAL YEAR TO 31 DECEMBER 2018 TO BERTRAND FINET, DEPUTY CHIEF EXECUTIVE OFFICER

Remuneration	Amounts or accounting value subject to the vote	Presentation
Fixed compensation	€600,000	Gross fixed compensation set by the Board of Directors on 23 March 2018.
Annual bonus	€102,000	Set at a maximum of €150,000, or 25% of fixed compensation. The bonus is determined using precise qualitative and quantifiable criteria, the choice and weighting of which are approved at the beginning of each year by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee. For 2018, the bonus is based: • on qualitative criteria for 60% of the total, breaking down into four sub-criteria: • induction of new recruits/employee development • promotion of FFP to shareholders • raising of FFP's profile among its external stakeholders, • continued development of the deal flow, and • on quantifiable criteria for 40% of the total, breaking down into two sub-criteria: • 20% linked to the performance of FFP's NAV excluding PSA compared with that of the Stoxx Europe 600 index on a dividends reinvested basis. If performance is positive and exceeds that of the Stoxx Europe 600 index, this portion is triggered progressively, with a maximum allocation for a performance of over 6%, and • 20% linked to the absolute performance of FFP's NAV excluding PSA. If performance is positive, this portion is triggered progressively, with a maximum allocation for a performance of over 8%. At its meeting on 15 March 2019, the Board of Directors discussed, based on the recommendations of the Governance, Appointments and Remuneration Committee, the performance of Bertrand Finet, in his absence, and determined the following level of achievement of the criteria affecting his bonus:

Criterion	Weighting	Performance in 2018	Level of achievement	Amount awarded
Employee induction and development	15% (1)	The transformation of FFP's management teams launched at the beginning of 2017 continued: • five new recruits, who were successfully integrated; • no departure; • employee development regarded as positive.	100%	€22,500
Promotion of FFP to shareholders	15% (1)	Bertrand Finet played an active role during 2018 in promoting FFP to its shareholders. FFP's team was strengthened for this purpose, with the recruitment of a communication manager.	100%	€22,500
Raising of FFP's profile among its external stakeholders	15% (1)	Bertrand Finet played an active role during 2018 in raising FFP's profile among its external stakeholders. In particular, he attended various SFAF meetings for investment analysts and roadshows during his various trips, which enabled him to meet with a significant number of international investors.	100%	€22,500
Continued development of the deal flow	15% (1)	Bertrand Finet's time, energy and networking helped to expand investment opportunities during 2018, resulting in several new investments by FFP in private equity funds.	100%	€22,500
Relative NAV performance	20%	Relative NAV performance excluding PSA exceeding that of the Stoxx Europe 600 index on a dividends reinvested basis by 1%.	40%	€12,000
Absolute NAV performance	20%	Negative absolute NAV performance excluding PSA.	0%	€0
TOTAL				**€102,000**

The bonus paid to Bertrand Finet in respect of 2018 amounted to 17% of his fixed compensation.

(1) At its meeting on 15 March 2019, the Board of Directors decided to sub-divide the 60% overall weighting of the qualitative criteria, attributing a weighting of 15% each to these four qualitative criteria.

Deferred bonuses	N/A	Bertrand Finet does not receive any deferred bonuses.
Long-term incentive plans	N/A	Bertrand Finet does not receive any long-term incentive payments.
Exceptional payments	N/A	Bertrand Finet did not receive any exceptional payments in respect of 2018.
Performance shares	€637,000	Bertrand Finet holds performance shares subject to the following conditions: **Authorisation:** Ordinary and Extraordinary General Meeting of 17 May 2018 (18th resolution) **Allotment decision:** Board of Directors' meeting of 17 May 2018 **Vesting period:** from 17 May 2018 to 17 May 2021 • lock-up period: no lock-up period, with shares available for sale from 17 May 2021. Even so, at least 50% of the shares vesting must be held while his duties as corporate officer continue, subject to a cap of 2 years' gross fixed annual compensation; • number of shares: 6,500, representing 0.026% of FFP's share capital on 31 December 2018 and 90.7% of Bertrand Finet's fixed compensation and bonus. **Performance conditions:** • absolute performance criteria: definitive vesting of one-third of the shares allotted if the rise in FFP's total NAV (including PSA) averages 5% p.a. over the period from 31 December 2017 to 31 December 2020, it being stipulated that if the NAV rises by an average of over 2.5% p.a. without reaching the 5% threshold, only half of these shares will vest; • relative performance criteria (straight-line vesting): • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by up to 75bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 225bp over 3 years); • definitive vesting of a maximum of one-third of the shares allotted if the increase in FFP's NAV excluding PSA exceeds that in the Stoxx Europe 600 index (dividends reinvested) by more than 75bp p.a. up to a cap of 150bp p.a. over the period from 31 December 2017 to 31 December 2020 (i.e. by 450bp over 3 years).
Attendance fees	No payment	Bertrand Finet does not receive attendance fees.
Value of benefits of any kind	€2,796	Company car.
Other benefits	€200	Back-to-school bonus.
Termination benefit		Bertrand Finet will receive, should his corporate office be terminated by the Board other than for serious misconduct, a termination benefit amounting to a maximum of 2 years' fixed compensation and bonus provided that he has fulfilled the qualitative and quantifiable performance criteria set by the Board covering the previous two years.
Non-compete indemnity	N/A	Bertrand Finet is not eligible for any non-compete indemnity.
Supplementary pension plan	No payment	Like the Chairman and Chief Executive Officer, Bertrand Finet is a member of the defined-contribution supplementary pension plan in force in the Company. Contributions to the plan, which are paid to an insurer, are based on remuneration up to eight times the French Social Security cap (€317,856 in 2018). The contributions paid by the Company stood at €17,490 in 2018.

SHAREHOLDER APPROVAL OF THE PRINCIPLES AND CRITERIA APPLIED IN THE DETERMINATION, ALLOCATION AND AWARD OF FIXED COMPENSATION, BONUSES AND EXCEPTIONAL PAYMENTS COMPOSING THE TOTAL REMUNERATION AND BENEFITS IN KIND OF ANY TYPE DUE IN RESPECT OF FY 2019 TO EXECUTIVE OFFICERS

Pursuant to Article L. 225-37-2 of the French Commercial Code, the Board of Directors presents the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind to executive officers.

After studying a benchmarking report on remuneration for similar positions drafted by an internationally renowned external consulting firm (based on a sample of 10 comparators) and in line with the experience and nature of the duties entrusted to FFP's executive officers, the Board of Directors laid down the executive officer remuneration policy for FY 2019 at its meeting of 15 March 2019 based on the recommendation of the Governance, Appointments and Remuneration Committee, which will be submitted for shareholders' approval at the General Meeting of 15 May 2019.

To this end, two separate resolutions will be submitted for shareholders' approval covering:

- Robert Peugeot, Chairman and Chief Executive Officer (8th resolution) and
- Bertrand Finet, Deputy Chief Executive Officer (9th resolution).

Resolutions of this kind will be submitted at least on an annual basis for shareholders' approval at the Annual General Meeting, as provided for in law.

If the Annual General Meeting on 15 May 2019 does not approve these resolutions, remuneration will be determined in accordance with the remuneration awarded in respect of the previous year or, where no remuneration was awarded in respect of the previous year, in accordance with the Company's customary practice.

ROBERT PEUGEOT

Robert Peugeot's remuneration consists solely of a fixed component, and he does not receive any bonus or exceptional payments. On the recommendation of the Governance, Appointments and Remuneration Committee, the Board of Directors approved gross remuneration of €640,000 at its meeting on 15 March 2019.

He will also receive attendance fees in respect of his duties as Chairman of FFP's Board of Directors and director of Établissements Peugeot Frères, the company that controls FFP.

The bulk of these attendance fees are variable and are linked to attendance at Board meetings.

On the recommendation of the Governance, Appointments and Remuneration Committee, the Board of Directors proposed at its meeting on 15 March 2019 that Robert Peugeot should also be allotted performance shares, it being specified that the value of these performance shares on the day of their allotment shall not exceed a cap of 200% of his fixed compensation for 2019. The Board of Directors' meeting of 15 May 2019 shall determine, as appropriate, the number and terms and conditions applicable to the performance shares allotted to Robert Peugeot.

The Chairman and Chief Executive Officer has a company car. In addition to this remuneration, Robert Peugeot qualifies for the benefit of the employee incentive plan.

BERTRAND FINET

Bertrand Finet's remuneration consists of a fixed compensation and a bonus linked to achievement of objectives set by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee. At its meeting of 15 March 2019, the Board of Directors set his gross fixed compensation at €600,000 and his gross target bonus at €300,000 (i.e., 50% of his fixed compensation), which may be increased up to a maximum of €390,000 (i.e., 65% of his fixed compensation) in the event of above-target performance.

Payment of Bertrand Finet's bonus shall be contingent upon achievement of the following qualitative and quantifiable criteria:

- €120,000 (i.e., 40% of the target bonus) linked to achievement of 4 qualitative criteria, each given a €30,000 weighting:
  - generating a high-quality deal flow;
  - developing the teams, including of FFP Investment UK;
  - raising FFP's profile among its stakeholders;
  - building up FFP's networks in Europe and proposals concerning its international development.

- €180,000 (i.e., 60% of the target bonus) linked to achievement of quantifiable criteria, which may be increased to €270,000 in the event of above-target performance:
  - €90,000 linked to the performance of FFP's NAV excluding PSA compared with that of the Stoxx Europe 600 index on a dividend reinvested basis, which may be increased to €135,000 in the event of above-target performance: if performance exceeds that of the Stoxx Europe 600 index, this portion is triggered on a straight-line basis, with the €90,000 award reached for a performance of 4%, it being stipulated that an additional amount not exceeding €45,000 will vest in respect of above-target performance on a straight-line basis between 4% and 6%;
  - €90,000 linked to the absolute performance of FFP's NAV excluding PSA, which may be increased to €135,000 in the event of above-target performance: if performance is positive, this portion is triggered on a straight-line basis, with the €90,000 award reached for a performance of 5%, it being stipulated that an additional amount not exceeding €45,000 will vest in respect of above-target performance on a straight-line basis between 5% and 7%.

On the recommendation of the Governance, Appointments and Remuneration Committee, the Board of Directors proposed at its meeting on 15 March 2019 that Bertrand Finet should also be allotted performance shares, it being specified that the measurement of these performance shares on the day of their allotment may not exceed a cap of 130% of his fixed compensation for 2019. The Board of Directors' meeting of 15 May 2019 shall determine, as appropriate, the number and terms and conditions applicable to the performance shares allotted to Bertrand Finet.

A termination benefit will be awarded to Bertrand Finet, should his corporate office be terminated by the Board for a reason other than serious misconduct. This benefit will amount to a maximum of 2 years' fixed compensation and bonus provided that he has fulfilled the qualitative and quantifiable performance criteria set by the Board covering the previous two years.

The benefit was approved in principle in accordance with the procedure covering related party agreements by the Board of Directors at its meeting on 9 March 2017 and by shareholders at the Annual General Meeting on 11 May 2017 (14th resolution). Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, this decision by the Board of Directors was announced in a press release published on the Company's website.

Bertrand Finet also has the benefit of a company car. In addition to this remuneration, Bertrand Finet qualifies for the benefit of the employee incentive plan and for corporate officers unemployment insurance, the contributions to which are covered by the Company.

2.5

APPLICATION OF THE AFEP-MEDEF CODE'S "COMPLY OR EXPLAIN" RULE

Provision of the AFEP-MEDEF Code not observed	Detailed explanation
24.3.2 Executive officers' annual bonus. " *Quantifiable criteria […] should predominate* "	In respect of FY 2018, the Board of Directors decided to set aside the recommendation that quantifiable criteria should account for a larger proportion of remuneration than qualitative criteria with regard to Bertrand Finet's bonus. The Board considered that Bertrand Finet's recent arrival at FFP merited a higher proportion of qualitative targets. For FY 2019, the Board of Directors will propose that the General Meeting of 15 May 2019 should adjust the weightings of Bertrand Finet's bonus, with quantifiable criteria accounting for 60% and qualitative criteria for 40% of his target bonus.
24.3.3 Executive officers' long-term incentive plans – Specific provisions applicable to the performance shares. "The maximum percentage of options and performance shares that may be allotted to executive officers should be set as a proportion of the overall allocation approved by shareholders. The resolution authorising the allotment plan to be submitted for shareholders' approval at the General Meeting must state the maximum percentage in the form of a sub-cap on allotments for executive officers."	The delegation of authority by shareholders at the 17 May 2018 General Meeting authorising the Board of Directors to allot performance shares does not specify a sub-cap on allotments for executive officers. The Board of Directors at its meeting of 15 May 2019 will be asked to set the maximum percentage of the overall allocation authorised by the General Meeting for allotment to executive officers.

2.6 Summary statement of trading in FFP shares by corporate officers and connected persons during 2018

Jean-Philippe Peugeot, a director of the Company, sold 990 FFP shares on the market on 5 July 2018.

2.7 Corporate governance statements

Of the members of the Board of Directors, Marie-Hélène Peugeot-Roncoroni, Robert Peugeot, Jean-Philippe Peugeot, Christian Peugeot and Xavier Peugeot belong to the Peugeot family group. The members of the Peugeot family group are descendants of Robert Peugeot (1873-1945), their great grandfather.

STATEMENTS CONCERNING THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

As far as the Company is aware, over the past five years:

- no member of the Board of Directors or Executive Management has been convicted of fraud;
- no member of the Board of Directors or Executive Management has been involved in an insolvency, receivership or liquidation as a member of the Board of Directors, Management Board or Supervisory Board or as the Chief Executive Officer;
- no member of the Board of Directors or Executive Management has been implicated in and/or received an official public sanction from the statutory or regulatory authorities (including designated professional organisations);
- no member of the Board of Directors or Executive Management has been disqualified by a court from acting as a member of the Board of Directors, Management Board or Supervisory Board of an issuer or from participating in the management or conduct of the business of any issuer.

STATEMENTS CONCERNING CONFLICTS OF INTEREST

As far as the Company is aware, based on the statements signed by the corporate officers, there are no existing or potential conflicts of interest between the duties of the officers to the Company and their private interests. As far as the Company is aware, there are no arrangements in place or agreements with principal shareholders, customers, suppliers or other parties, pursuant to which a member of the Board of Directors has been appointed. As far as the Company is aware, no restrictions have been agreed to by a member of the Board of Directors concerning the sale, within a specific period of time, of some or all of the shares that he/she possesses. The Internal Rules expressly address the actions to be taken where a conflict of interest has arisen: “The director shall inform the Board of Directors of any existing or potential conflicts of interest with FFP. He/she will refrain from participating in the corresponding vote. (...) The director is bound by a duty of loyalty. To this end, he/she must not make a personal commitment to a business competing with the Company or its Group, without informing the Board of Directors and having gained its approval.”

2.8 Related-party transactions

No transactions were entered into with related companies.

2.9 Statutory Auditors' report on the report on corporate governance

The observations required under Article L. 225-235 of the French Commercial Code are included in the Statutory Auditors' report on the parent-company financial statements (chapter 5.2).

3. INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

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3.1 FFP and its shareholders

INFORMATION ABOUT THE SHARE CAPITAL

On 15 March 2019, the share capital stood at €24,922,589, consisting of 24,922,589 shares each with a par value of €1. It is important to note that:

- on 2 February 2016, 84,684 shares were cancelled, representing 0.34% of FFP's share capital, pursuant to shareholder authorisation received under the 10th resolution at the Ordinary and Extraordinary General Meeting of 20 May 2014;
- on 24 May 2017, 100,000 shares were repurchased, representing 0.40% of FFP's share capital, pursuant to shareholder authorisation received under the 17th resolution at the Ordinary General Meeting of 11 May 2017.
- on 30 May 2017, 226,483 shares were repurchased, representing 0.90% of FFP's share capital, pursuant to shareholder authorisation received under the 17th resolution at the Ordinary General Meeting of 11 May 2017;
- on 27 December 2018, 150,000 shares were cancelled, representing 0.60% of FFP's share capital, pursuant to shareholder authorisation received under the 17th resolution at the Ordinary General Meeting of 17 May 2018.

FFP'S OWNERSHIP STRUCTURE

CHANGES DURING THE YEAR

FFP is kept informed of the identity of its principal shareholders by virtue of a combination of the requirements of law and the Articles of Association. These oblige all shareholders to make themselves known when crossing above or below the (i) 5%, 10%, 15%, 20%, 25%, 30%, 1/3, 50%, 2/3, 90% or 95% statutory thresholds applicable to the share capital or voting rights or (ii) the 2% threshold applicable to the share capital or voting rights under the Articles of Association, with this declaration having to be repeated every time a 1% threshold or a multiple of this percentage is crossed.

Following the cancellation of 150,000 of its shares held in treasury by FFP, Établissements Peugeot Frères crossed above the 88% threshold of the Company's voting rights on 27 December 2018, on which date it held 79.98% of FFP's share capital and 88.68% of its voting rights.

CURRENT BREAKDOWN OF THE SHARE CAPITAL

NUMBER OF SHAREHOLDERS

On 31 December 2018, FFP had 178 direct or managed registered shareholders, who hold 81.11% of the share capital and 89.11% of voting rights. Bearer shareholders accounted for 18.90% of the share capital and 10.47% of voting rights.

EMPLOYEE SHARE OWNERSHIP

On 31 December 2018, no members of FFP's staff held its shares.

In addition, it is worth noting that FFP's Board of Directors allotted:

- performance shares share to certain FFP employees on 7 July 2016. These shares will vest definitively on 7 July 2019 subject to the satisfaction of performance criteria;
- performance shares to all of FFP's employees on 9 March 2017. These shares will vest definitively on 9 March 2020 subject to the satisfaction of performance criteria;
- performance shares share to certain FFP employees on 17 May 2018. These shares will vest definitively on 17 May 2021 subject to the satisfaction of performance criteria.

CHANGES IN THE OWNERSHIP STRUCTURE (SHAREHOLDERS OWNING OVER 5% OF THE SHARE CAPITAL OR VOTING RIGHTS)

On 31 December 2018, Établissements Peugeot Frères controlled FFP. As far as the Company is aware, no shareholder other than Établissements Peugeot Frères held directly or indirectly a percentage of the Company's share capital or voting rights of 5% or more.

ANALYSIS OF THE SHARE CAPITAL AND VOTING RIGHTS ON 31 DECEMBER 2018

Main shareholders identified	Number of shares	% of share	% of exercisable voting rights	% of theoretical voting rights
Établissements Peugeot Frères	19,932,454	79.98%	89.25%	88.68%
Treasury shares [(1)]	187,083	0.07%	0.04%	0.04%
Free float	4,803,052	19.95%	10.71%	11.28%
TOTAL	24,922,589	100%	100%	100%

ANALYSIS OF THE SHARE CAPITAL AND VOTING RIGHTS ON 31 DECEMBER 2017

Main shareholders identified	Number of shares	% of share	% of exercisable voting rights	% of theoretical voting rights
Établissements Peugeot Frères	19,932,454	79.50%	88.40%	87.76%
Treasury shares [(1)]	329,283	1.31%	0.73%	0.72%
Free float	4,810,852	19.19%	10.87%	11.52%
TOTAL	25,072,589	100%	100%	100%

ANALYSIS OF THE SHARE CAPITAL AND VOTING RIGHTS ON 31 DECEMBER 2016

Main shareholders identified	Number of shares	% of share	% of exercisable voting rights	% of theoretical voting rights
Établissements Peugeot Frères	19,932,454	79.50%	87.73%	87.73%
Treasury shares [(1)]	699	0%	0%	0%
Free float	5,139,436	20.50%	12.27%	12.27%
TOTAL	25,072,589	100%	100%	100%

BREAKDOWN OF THEORETICAL VOTING RIGHTS ON 31 DECEMBER 2018

Pursuant to Article 223-11 of the AMF's General Regulation, voting rights are presented on a theoretical basis taking into account all the shares carrying a voting right, including those on which the voting rights may not be exercised (shares held in treasury).

These theoretical voting rights are used to calculate notification thresholds for shareholdings. On 31 December 2018, the total gross number of voting rights was 44,955,748, and the total net number of voting rights was 44,768,665.

CONTROL OF FFP

The Company refers to the AFEP-MEDEF Corporate Governance Code. Pursuant to these recommendations, FFP implemented a set of measures to ensure the control of the Company is exercised fairly, including:

- four independent directors on its Board of Directors, which has a total of ten members;
- three Board Committees on which independent directors serve.

The governance structure of Établissements Peugeot Frères, FFP's majority shareholder, is in turn organised around a structured Board of Directors.

Lastly, as far as the Company is aware:

- none of the Company's principal shareholders has different voting rights, and
- there is no agreement that, if implemented, could result in a change in control of the Company at a future date.

(1) Pursuant to the liquidity agreement and implementation of the share buyback programme.

EXCERPTS FROM THE ARTICLES OF ASSOCIATION CONCERNING THE SHARE CAPITAL AND OWNERSHIP STRUCTURE

INFORMATION ABOUT OWNERSHIP OF THE SHARE CAPITAL (ARTICLE 7 OF THE ARTICLES OF ASSOCIATION)

Aside from the statutory requirement to disclose holdings in the Company's shares, any individual or legal entity that, acting alone or in concert, with other individuals or legal entities, comes into possession or ceases to hold directly or indirectly a number of shares representing at least 2% of the Company's share capital or voting rights, must notify the Company of the change in ownership within 15 days by registered letter with return receipt requested. Thresholds are deemed to be crossed when transactions are entered into on- or off-market, irrespective of how the securities are delivered.

This notification must state:

- the total number of shares and voting rights held, directly or indirectly, by the declaring shareholder, acting alone or in concert;
- where appropriate, securities conferring rights to the Company's share capital, directly or indirectly, by the declaring shareholder, acting alone or in concert;
- the date on which the threshold was crossed, and
- where appropriate, persons with whom the declaring shareholder acts in concert.

This declaration must be made every time that a 1% ownership threshold or any multiple of this percentage is crossed upwards or downwards.

At the request of one or more shareholders together holding at least 1% of the Company's share capital or voting rights, any shares in excess of the portion that should have been declared by the Company under the aforementioned statutory notification threshold requirements, may be stripped of their voting rights at any general meetings to be held for a period of two years from the date on which the omitted notification is rectified.

RIGHTS ATTACHED TO EACH SHARE (ARTICLE 8 OF THE ARTICLES OF ASSOCIATION)

Aside from the voting right granted to it by law, each share entitles its holder to a share of profits and any liquidation surplus in proportion to the percentage of share capital that it represents.

All shares rank pari passu from a tax perspective. Accordingly, they entitle their holders to the same net amount, based on their par value and the date from which they rank for dividend, for any appropriation or return of capital during the Company's life or upon its liquidation.

GENERAL MEETINGS OF SHAREHOLDERS (ARTICLE 13 OF THE ARTICLES OF ASSOCIATION)

1. Paid-up shares registered in the name of the same holder for at least four years carry double voting rights at general meetings. In the event of a capital increase through the capitalisation of reserves, earnings or share premiums, double voting rights will also attach from the issuance of the registered bonus shares to be allotted to a shareholder in respect of existing shares already carrying this right or, if said existing shares do not carry double voting rights upon issue, from the date on which they will acquire this right.

2. Meetings are held at either the registered office or at any other venue specified in the notice of meeting. Shareholders may, as provided for in law, send their proxy and postal voting forms to the Company for any general meeting, either in paper form or, if the Board of Directors so decides and states in the notice of meeting, electronically. Legal entities may be represented at general meetings by their legal representatives or any other specially designated person.

3. General meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board, where designated, or by a director specially designated by the Board for such purpose. Failing this, the general meeting elects its own chairman.

SHAREHOLDERS' AGREEMENTS

SHAREHOLDERS' AGREEMENTS CONCERNING FFP SHARES NOTIFIED TO THE AUTORITÉ DES MARCHÉS FINANCIERS

None.

DUTREIL AGREEMENTS

None.

SHAREHOLDERS' AGREEMENTS ENTERED INTO BY FFP WITH ITS SHAREHOLDINGS

Shareholding	Date of shareholders' agreement	AMF notification (where appropriate)	Duration	Main features of the shareholders' agreements
IDI Emerging Markets	7 July 2008 as amended by supplemental agreements n° 1 on 8 September 2009, n° 2 on 19 July 2010 and n° 3	N/A	10 years, renewable automatically for 5-year periods	Agreement governing relations between IDI Emerging Markets' shareholders, including their equity investment and terms of co-investments. Supplemental agreement no. 1 aims to reflect the changes arising from a reduction in capital and the appointment of a new Supervisory Board member. Supplemental agreement no. 2 aims to reflect the changes arising from the creation of sub-funds in the company and the issue of new classes of shares. Supplemental agreement no. 3 aims to restrict the scope of the shareholder agreement's application to solely the two existing sub-funds (I and II).
CID	26 July 2011	N/A	30 June 2021	Shareholders' agreement making arrangements to ensure the liquidity of CID shares.
LDAP	12 September 2013	N/A	Duration of the investment	Shareholders' agreement making arrangements to ensure the liquidity of LDAP shares.
CIEL	10 March 2014 amended by supplemental agreement n° 1 on 6 February 2019	N/A	For as long as FFP INVEST holds at least 5% of the company's voting rights and the majority shareholders party to the agreement hold the majority of the company's voting rights	Shareholders' agreement making arrangements to ensure the liquidity of CIEL shares and governance rules applicable within the company. The supplemental agreement aims to extend the liquidity period.
Peugeot SA	28 April 2014	N/A	10 years	Shareholders' agreement providing for a standstill commitment by parties (FFP/EPF, Bpifrance and Dongfeng) not to increase their respective interest in the company and establishing governance rules for the company.
Zéphyr Investissement	5 October 2015	N/A	10 years	Shareholders' agreement making arrangements to ensure the liquidity of Zéphyr shares and establishing governance rules applicable within the company.
Tikehau Capital Advisors	15 June 2016	N/A	Duration of the investment	Shareholders' agreement making arrangements to ensure the liquidity of shares and establishing governance rules applicable within the company.

OTHER

Since 24 April 2014, the Dutreil agreements governed by Articles 885 I bis and 787 B of the French General Tax Code have no longer been in force, either because they have expired or because they have been terminated.

DIVIDENDS PAID IN THE LAST THREE FINANCIAL YEARS

DIVIDEND POLICY

For many years, FFP's dividend policy has been to pay out a steadily increasing dividend, whenever possible.

At the forthcoming Annual General Meeting, the Board has decided to propose a dividend of €2.15 per share.

APPROPRIATION OF INCOME

The Board of Directors proposes appropriating income as follows:

Profit for the financial year	€32,750,039.25
Reserves available for distribution	€1,070,754,831.59
Total amount available for distribution	€1,103,504,870.84
Appropriation	
to shares as a dividend	€53,583,566.35
to other reserves	€1,049,921,304.49

DIVIDEND PAYMENTS IN THE LAST THREE FINANCIAL YEARS

	2017	2016	2015
Number of shares	25,072,589	25,072,589	25,072,589
Par value of shares	€1.00	€1.00	€1.00
Dividend per share	€2.00	€1.80	€1.60

TRANSACTIONS IN THE COMPANY'S SHARES

DETAILS OF THE 2018 SHARE BUYBACK PROGRAMME

LEGAL FRAMEWORK

At the General Meeting of 17 May 2018 (16th resolution), shareholders authorised the Board of Directors to implement a share buyback programme (the "Buyback Programme") in accordance with the provisions of Article L. 225-209 of the French Commercial Code. This buyback programme was set up by the Board of Directors on 17 May 2018.

The main characteristics of this Buyback Programme are presented in the 2017 Registration Document. This programme superseded that authorised at the General Meeting of 11 May 2017 (17th resolution).

This Buyback Programme was adopted for a period of 18 months with effect from the date of the General Meeting, that is until 16 November 2019 Pursuant to this authorisation, the maximum purchase price was set at €130 per share.

The Board of Directors was authorised to buy a number of shares representing no more than 10% of the number of shares making up FFP's share capital.

CHARACTERISTICS OF THE BUYBACK PROGRAMME

Pursuant to the regulations in force and market practices permitted by the Autorité des marchés financiers, the objectives of this Buyback Programme were to enable, where appropriate:

- an investment services provider to maintain a liquid market for the Company's shares under a liquidity agreement that complies with the AMAFI Code of Ethics recognised by the AMF
- the allotment or sale of shares to employees and/or corporate officers (on the terms and conditions and as provided for in law), including under a stock option plan, a performance share allotment plan or a corporate savings plan
- the allotment of shares upon the exercise of rights attached to negotiable securities carrying entitlement through redemption, conversion, exchange, presentation of a warrant or any other means to the allotment of the Company's shares
- the potential cancellation of the shares acquired
- more generally, the execution of any transaction permitted or authorised subsequently by the regulations in force, especially where it relates to a market practice permitted subsequently by the AMF.

SHARE BUYBACKS BY FFP IN THE 2018 FINANCIAL YEAR

Shares bought back for the purpose of maintaining the share's liquidity:

- in 2018, acting on behalf of FFP under a liquidity agreement and to maintain the liquidity of the share, Oddo Corporate Finance:
  - purchased 106,059 shares at an average price of €103.25 per share
  - sold 98,259 shares at an average price of €103.93 per share

  pursuant to the 17th resolution of the General Meeting of 11 May 2017, then the 16th resolution of the General Meeting of 17 May 2018 (which supersedes the previous authorisation).

CANCELLATION OF SHARES BY THE COMPANY DURING 2018

On 27 December 2018, 150,000 shares were cancelled, representing 0.60% of FFP's share capital, pursuant to shareholder authorisation received under the 17th resolution at the Ordinary General Meeting of 17 May 2018.

ANY REALLOCATIONS

The shares purchased by the Company pursuant to the authorisation granted by the 16th resolution adopted by the General Meeting of 17 May 2018 or any prior authorisation have not been allocated for purposes other than the original objectives set when they were repurchased.

TOTAL AMOUNT OF TRADING COSTS

The total amount of trading costs came to €84,000 in respect of purchases with a view to maintaining the share's liquidity.

NUMBER OF SHARES HELD IN TREASURY AT YEAR-END 2018

Percentage of capital held in treasury directly or indirectly	0.75%
Number of shares cancelled in the past 24 months	150,000
Number of shares held in the portfolio	
o/w liquidity agreement	10,600
o/w coverage of stock options plans or shares earmarked for cancellation	176,483
THAT IS:	**187,083 shares**
Value of the shares stated at acquisition cost	€15,953,708.50

FACTORS THAT MAY HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

In accordance with the provisions of Article L. 225-37-5 of the French Commercial Code, the disclosures required by this text that may have an impact in the event of a public offer are stated below:

- the Company is controlled by Établissements Peugeot Frères, which held 79.98% of the Company's shares capital and 88.68% of its voting rights on 31 December 2018
- the authorisations and delegations of authority by shareholders at the Ordinary and Extraordinary General Meeting of 17 May 2018 concerning the issue and repurchase of shares are not suspended during public offers
- Article 13 of the Articles of Association states that fully-paid up shares registered in the name of the same holder for at least four years will carry double voting rights.

There are no shareholders' agreements or lock-up undertakings as such.

3.2 Information about the company

COMPANY NAME

FFP

REGISTERED OFFICE

66, avenue Charles-de-Gaulle – 92200 Neuilly-sur-Seine

CORPORATE FORM AND INCORPORATION

Société anonyme (public limited company) registered under French law. FFP is governed by French law, including the French Commercial Code, and is registered with the Nanterre Trade and Companies Register under no. 562 075 390.

Date of incorporation: 30 July 1929.

Scheduled end of life: 18 July 2028, it being stipulated that a proposal will be made at the General Meeting of 15 May 2019 to extend its corporate life until 14 May 2118.

CORPORATE OBJECTS
(ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The Company's object is to participate, directly or indirectly, including by subscribing for or acquiring shares or any other corporate rights, establishing interests, forming new companies, contributing assets, conducting mergers, combining activities or by any other means in any and all industrial, commercial or financial activities, in France or abroad, related to:

- the manufacture, sale or repair of all forms of motor vehicles; engines designed to power them and their spare parts and accessories;
- the manufacture and sale of all steel products, tools and hand, mechanical or electrical tool systems;
- the manufacture and sale of all manufacturing, mechanical and electrical engineering equipment, devices, machines and components of any and all types, and for all applications;
- the provision of all types of service activities;
- the acquisition by any means, construction, installation and development, operation, rental and sale of any and all real property, land, manufacturing facilities, plants, offices and other goods and property rights; and
- more generally, to conduct any and all commercial, industrial, financial or real estate transactions related directly or indirectly to any of the above purposes, wholly or partially, to similar or related objects that would contribute to the growth and development of the Company's business.

FINANCIAL YEAR
(ARTICLE 14 OF THE ARTICLES OF ASSOCIATION)

From 1 January to 31 December.

APPROPRIATION OF INCOME
(ARTICLE 14 OF THE ARTICLES OF ASSOCIATION)

Profit available for distribution as defined by law is appropriated at the discretion of shareholders at the Annual General Meeting. Except in certain exceptional circumstances laid down in law, the Annual General Meeting makes the final decision as to its appropriation.

The option of allowing each shareholder to elect either for payment of all or part of the dividend or interim dividend in cash or in shares may be exercised as provided for in the regulations in force.

4. ACTIVITY AND PROFIT FOR THE PERIOD

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4.1 Investments and divestments of the year

PARTICIPATIONS

SAFRAN/ZODIAC AEROSPACE EXCHANGE OFFER

Upon Safran public exchange offer in February 2018, FFP tendered all of its Zodiac Aerospace shares. The subsidiary offer was fully subscribed, and consequently FFP received 2,832,492 Safran shares, non-transferable for three years, along with €141 million in cash. FFP then bought 375,237 Safran shares in the market for €31 million. After that transaction, FFP owns 0.7% of Safran capital.

FFP takes part in Safran's governance through F&P SAS – FFP and Fonds Stratégique de Participations (FSP) joint venture. F&P SAS acts in accordance with Safran. F&P SAS is a director of the company and is represented to Safran's Board of Directors by its chairman, Robert Peugeot.

DISPOSAL OF ORPEA SHARES

On 27 July 2018, after 11 years as a shareholder of ORPEA, FFP announced the sale of 550,000 ORPEA shares, amounting to around 0.85% of that company's equity as of June 30, 2018. At the end of the book-building process, selling price was 116€ per share. The private offering resulted in €63.8 million proceeds, four times the value of the initial investment.

After that transaction, FFP holds around 5.0% of ORPEA capital and 7.8% of its voting rights.

CO-INVESTMENTS

ADDITIONAL INVESTMENT ALONGSIDE JAB HOLDING

Alongside JAB Holding, FFP invested an additional €130 million to continue supporting the group's expansion strategy in the beverages sector. As the group acquired Dr Pepper Snapple Group, the investment also participates in the creation of a new global leader. Indeed, Keurig Green Mountain and Dr Pepper Snapple Group were merged to create the single listed group Keurig Dr Pepper (KDP). This new investment gives FFP exposure to the new KDP entity, but also to Jacobs Douwe Egberts, the world's largest roast coffee producer with $6 billion of revenue and a portfolio of global and local brands such as Jacobs, Douwe Egberts, l'Or and Café Grand-Mère.

INVESTMENT IN BIG BOTTLING COMPANY

FFP invested $10 million alongside IDI Emerging Markets in Big Bottling Company, which manufactures and sells non-alcoholic carbonated drinks in Nigeria. Its main products are BIG (cola, lemon and orange flavours) and Volt (energy drink).

INVESTMENT IN MED PLATFORM 1

FFP increased its exposure to the healthcare sector by linking up with ArchiMed, a strategic and financial partner to healthcare companies, in order to launch a new investment vehicle called MED Platform 1. The aim is to accelerate the growth of a few European companies selected for the quality of their management team and market position, but also for their potential to expanding to foreign markets and reinforcing their position within their own market.

FFP has committed to invest up to €80 million in this vehicle – target fund size being €800 million. FFP has the possibility to double up its exposure by co-investing in companies of its choice, taking its maximum commitment to €160 million.

INVESTMENT IN ASMODEE

FFP invested €20 million alongside PAI Partners in Asmodee, the world's third biggest board games and trading cards compagny. Asmodee both produces and distributes games, and its flagship products are Dobble, Catan, Ticket to Ride and 7 Wonders. Asmodee also holds licences to develop and distribute games related to Pokemon and Star Wars.

PRIVATE EQUITY

PRIVATE EQUITY COMMITMENTS

2018 was a very busy year for the private equity business. FFP new engagements total almost €122 million, including €53 million in buyout funds (LBO) and €68 million in growth capital funds.

In the USA, FFP committed $15 million to the Webster Capital IV fund (LBO), $15 million to the Quad V fund (LBO) and $15 million to the K4 fund (growth capital).

In Europe, FFP committed €15 million to FAPI III fund (LBO) and €12 million to Astorg VII fund (LBO).

FFP also committed 20M€ to the European technology growth capital fund Keensight V, 15M€ to seed capital fund Idinvest Digital III and 3M€ to French impact investing fund Alter Equity II.

Lastly, FFP committed 20M$ commitment to global growth capital fund Warburg Pincus Global Growth.

It should be noted FFP was already invested in previous vintages of Alter Equity II, Keensight V, Warburg Pincus Global Growth and Idinvest Digital III funds.

In 2018, capital calls amounted to 70M€. Funds carried out several disposals, distributing around 33M€ of proceeds during the year .

REAL ESTATE

ADDITIONAL INVESTMENTS AND DISPOSAL ALONGSIDE ELV

FFP has partnered with a number of European families to support the development of several real-estate projects in the USA. Those projects are being put forward and managed by ELV Associates, a team of American professionals founded in 1991. The projects mainly entails residential developments, but office and retail developments are also included.

In 2018, FFP made $36.6 million of new investments in these projects, of which $33.4 million had been called by 31 December 2018.

In 2018 for the first time, one of FFP projects was disposed by ELV. The transaction resulted in a net amount of $4.7 million, equating to an IRR of 22% and a multiple of 1.64x.

COMMITMENT TO A REAL-ESTATE FUND

At the same time, FFP has been pursuing its real-estate strategy by committing €15 million to European fund White Stone VII.

OTHER INFORMATION

CANCELLATION OF SHARES

On 11 December 2018, the Board of Directors decided to cancel 150,000 treasury shares, representing 0.60% of the share capital. Authorisation had been given by shareholders in the 17th resolution of the 17 May 2018 Shareholders' General Meeting.

After those shares were cancelled on 27 December 2018, FFP's share capital consisted of 24,922,589 shares with par value of €1 each.

4.2 Results and financial position

CONSOLIDATED RESULTS

INCOME STATEMENT

FFP's consolidated net profit attributable to equity holders of the parent was €114.9 million in 2018 (IFRS 9), as opposed to reported net profit of €221.8 million in 2017 (previous standard). That profit mainly breaks down as follows:

- income from long-term investments rose to €153.9 million as opposed to €139.5 million on a comparable accounting standards basis in 2017 (€230.1 million reported). It entails:
  - €83.1 million of dividends from non-consolidated companies versus €77 million in the year-earlier period;
  - a net loss of €1.7 million on disposals of Portfolio Investment Securities;
  - a €72.5 million gain from remeasuring the Portfolio Investment Securities at fair value (versus €56.2 million in 2017 on a comparable accounting standards basis).

  It should be noted that after the adoption of IFRS 9 from 1 January 2018, capital gains on equity securities are now presented under comprehensive income.

  They amounted to €240 million (before tax) in 2018, of which €192 million arose from Safran's takeover bid for Zodiac Aerospace and €47 million from the partial disposal of the ORPEA stake. In 2017, income from long-term investments comprised disposal gains on HIT shares (€135.8 million), Ipsos shares (€7.8 million) and Holding Reinier shares (€3.2 million).
- general administration expenses amounted to €23.5 million versus €20.5 million in 2017, and the cost of debt was €14.6 million as opposed to €13.1 million in 2017;
- FFP's share in the net earnings of associates was €6.2 million, compared with €20.9 million in 2017.

Consolidated comprehensive income attributable to equity holders of the parent amounted to €111 million as opposed to €513.3 million in 2017. Comprehensive income for 2018 included profit for the year, net revaluations of financial assets – a decrease of €264.1 – disposal gains on equity securities totalling €231.6 million (net of tax),adjustment in the fair value of derivatives – a €1.4 million decrease – and changes in the equity of companies consolidated under the equity method – a €6.6 million gain.

It also includes exchange differences on cash advances made to subsidiaries – a €12.4 million gain –, and other net remeasurements taken directly to equity (most of which arose from translation differences relating to the equity of subsidiaries whose working currency is not the euro) – a €11.2 million gain.

BALANCE SHEET AND CASH FLOWS

The main changes affecting the consolidated balance sheet were as follows:

- investments in associates increased by €10 million, mainly as a result of revaluations of Redford USA II Holdings and Redford EU II Holdings, which are holding companies for AmaWaterways, and of earnings at CID and LISI, minus impairment of LDAP shares;
- investments in non-consolidated companies fell by €170 million after the removal of Zodiac Aerospace shares and the addition of Safran shares (net negative impact of €164 million) and revaluations of shareholdings;
- investment Securities Portfolio's value has increased by €388 million due to new acquisitions (mainly the co-investment in JAB) and private equity commitments signed during the year;
- equity increased by €60 million – corresponding to comprehensive income for the year less dividends payment made in 2018.

The consolidated cash position fell by €6 million to €11.4 million on 31 December 2018. The main cash flows in 2018 were as follows:

- net cash flows from operating activities: €79.1 million;
- investment in JAB Holding for €223.4 million, purchase of additional Safran shares for €31.5 million; real-estate investments in the USA for €28.5 million; other co-investments for €28.5 million and calls by private equity funds for €70 million;
- disposal of Zodiac Aerospace shares following the takeover bid for €141.4 million; disposal of part of the ORPEA stake for €63.8 million; disposal of Albioma, Burckhardt and Manitou shares for €15.1 million and €33 million returned by private equity funds;
- divided payments for €49.5 million;
- debt increase by €107 million – new borrowings.

PARENT-COMPANY RESULTS

INCOME STATEMENT

Net profit amounted to €32.8 million in 2018 versus €31.6 million in 2017. It was made up mainly of the following items:

EQUITY SECURITIES

Profit from equity securities amounted to €50.2 million as opposed to €44.1 million in 2017, mainly coming from dividends received from Peugeot SA – €44.7 million in 2018 versus €40.5 million in 2017.

Additionally, interest income on current-account advances granted to the FFP INVEST subsidiary was €5.5 million.

PORTFOLIO INVESTMENT SECURITIES

Portfolio Investment Securities generated a profit of €0.9 million in 2018 as opposed to €4.7 million in 2017.

That profit consisted mainly of €4.7 million of capital gains on money returned by private equity funds, minus €3.3 million of disposal losses.

OTHER INCOME STATEMENT ITEMS

Financing operations produced an expense of €14.4 million, versus €12.8 million in 2017. That expense was primarily made up of interest and fees relating to debt.

There was a net general administration expense of €8.2 million versus €4.6 million as 2017 included a non-recurring income of 3 M€ relating to the 3% dividend tax rebate.

Corporate income tax (including tax consolidation with FFP INVEST) rose sharply to 4.2 M€ in 2018 (0.2 M€ in 2017), capital gains of Zodiac/Safran were subject to taxation and Safran dividends were subject to full taxation, since it does not benefit from the parent-subsidiary regime.

BALANCE SHEET

Long-term investments amounted to €1,841.9 million on 31 December 2018, compared with €1,744.2 million a year earlier. The most important move in 2018 was the increase of current-account advances to FFP INVEST totalling €115.1 million.

Current assets fell by €19.3 million year-on-year to €31.5 million as of 31/12/2018. This variation was mainly due to a decrease in the cash position from €12.6 million to €5.7 million and the cancellation of 150,000 FFP shares for €13.4 million.

Equity totalled €1,289.4 million after taking into account €32.8 million of profit for the year, €49.5 million of dividend payments and a €13.4 million capital reduction caused by the cancellation of own shares. At the end of the previous year, equity amounted to €1,319.5 million.

Total debt was €581.6 million, as opposed to €474.7 million at end-2017. Higher debt levels are due to increased drawings on FFP's credit facilities from €218.6 million in 2017 to €325.5 million in 2018.

4.3 Risk factors – Risk management and insurance

FFP regularly reviews its risks. Since FFP is a holding company, its main risks concern its assets. The risks described below were established using a risk mapping approach. It was prepared by an external firm based on the inputs from directors, executives and operational teams. Strategies to be used in case those risks materialize have been elaborated taking this risk mapping as a basis.

As well as the information contained in this Registration Document, investors are invited to carefully take into account the risks described below before making any investment decision.

The risks discussed below are those whose occurrence would, according to the company and at the date of this Registration Document, have a material adverse impact on the valuation of its assets, the financial position or earnings of FFP or its subsidiaries.

Other risks and uncertainties that are not yet identified or that FFP regards, at the date of this Registration Document, as non-material, could have the same adverse impact. Investors may lose some or all of their investment if those risks were to materialise.

RISKS RELATED TO THE ACTIVITY OF INVESTMENT HOLDING-COMPANY

RISKS RELATED TO THE OWNERSHIP OF A 9.3% STAKE IN PEUGEOT SA

Identification of risks

Changes in Peugeot SA's ownership structure in spring 2014 have modified risks for FFP. FFP and its parent company Établissements Peugeot Frères are no longer the largest shareholder of Peugeot SA, but one of three major shareholders – alongside Dongfeng Motor Group Company Limited and Bpifrance. Consequently, FFP no longer consolidates Peugeot SA's results, which no longer affect FFP's results – except to the extent of any impairment to the value of the shares.

However, FFP's stake in Peugeot SA is its largest exposure in terms of NAV and accounted for 36% of FFP's gross assets on 31 December 2018. A fall in the Peugeot SA share price would therefore have a material impact on FFP's valuation. Similarly, if Peugeot SA reduced or scrapped its dividend for several years, that would affect FFP's ability to pursue its development.

Risk management

As with its other shareholdings, FFP plays an active role as a shareholder of Peugeot SA. Two FFP directors are members of Peugeot SA's Supervisory Board. A member of FFP's executive management is also an observer (*censeur*) on the Supervisory Board.

The portfolio of shareholdings is currently well diversified, with investments that show low correlation with Peugeot SA in order to limit exposure to the risk of a decrease in Peugeot SA's valuation.

Details about equity risk management are outlined in Note 29.1 to the 2018 consolidated financial statements.

RISK OF FLUCTUATIONS IN THE VALUE OF FFP'S LISTED INVESTMENTS

Identification of risks

By being active in equity investment, FFP's is exposed to any risk that could eventually cause the investment to lose some or all of its value.

Before an investment is made, some risks would involve the target company being overvalued because of unreliable information and accounting and financial data regarding such target company, disputes arising with sellers or third parties, which may also give rise to reputational risk.

In addition, Peugeot SA and some other shareholdings are stockmarket-listed, exposing FFP to market risk. Indeed, their valuation fluctuates as markets move. A stock market crash would affect all sectors and cause all listed investments to lose value, which would affect FFP in several ways:

- depreciation of its shareholdings' shares, which could reduce FFP's distributive capacity;
- decrease in the value of its assets, which could affect its banking covenant ratios.

Risk management

All of FFP's investments are subject to a collegial and clear selection process that involves several stages: the investment team analyses any potential investment according to precise qualitative and quantitative criteria pre-defined by the company, upon which it either rules out or selects the candidate. It then carries out in-depth due diligence, involving meetings with management, analysis of the target equity story, performance and financial position, market and competitors, business model, strategic position, valuation, governance rules and exit terms. In addition, and because of its strategy of being a long-term minority shareholder, FFP looks carefully at the history, motivation and shared commitment of the other main shareholders, and thereby checks that the various shareholders have the same business philosophy. External providers, such as strategic consultancies, lawyers, banks and audit firms (transaction services) may be used in the due diligence step to assist decision-making. The results of that analysis are reviewed during the weekly meetings between the teams and the FFP's Executive Committee, who eventually decides on a collegial basis whether to continue appraisals. Depending on the amount involved, the proposal might be reviewed by the Investment Committee before being validated by the Board of Directors.

Regarding market risk, the value of FFP's assets is spread across a range of diversified and decorrelated investments, which reduces the impact of major price volatility. Also, the weightings of unlisted companies and real estate within the shareholding portfolio (42% of gross asset value of Investments, including private equity and co-investments) are rising, which helps to mitigate that risk.

Depreciation of equity securities in the parent-company financial statements is based on value in use, which itself is based on the holding period. FFP being a long-term investor, it assesses changes in the value of its assets over a long period.

The loan-to-value (net debt/gross asset value) ratio is kept relatively low and is regularly monitored by carrying out stress tests. For a decline in stock market-listed valuations to cause FFP to breach the second banking covenant presented in Note 29.2 to the 2018 consolidated financial statements, the value of all of FFP's listed and unlisted assets would have to fall by almost 73%, which currently seems unlikely to happen.

Details about equity risk management are also contained in Note 29.1 to the 2018 consolidated financial statements.

RISKS RELATED TO FFP'S UNLISTED FINANCIAL INVESTMENTS

RISKS RELATING TO PURCHASES OF SHAREHOLDINGS IN UNLISTED COMPANIES

Identification of risks

When FFP purchases an equity stake in a target company, it gets exposed to risks that could eventually result in the investment losing some or all of its value. Before an investment is made, some risks would involve the target company being overvalued because of unreliable information and accounting and financial data regarding such target company, disputes arising with sellers or third parties, which may also give rise to reputational risk. Unlisted investments are also subject to liquidity risk.

Risk management

FFP manages its portfolio in a prudent manner. In general, FFP does not invest in start-ups or companies in a turnaround situation.

Before it purchases any shareholding in an unlisted company, the investment team follows a procedure identical to the one described above in relation to listed companies.

FFP then supports its investee companies by having at least one person sitting on their board in most cases.

Unlike investments in listed companies, which ensure a degree of liquidity in FFP's portfolio, the liquidity of FFP's investments in unlisted companies is not guaranteed. However, when carrying out its due diligence, FFP ensures that shareholder agreements make provisions for eventual liquidity mechanisms. However, those mechanisms do not guarantee liquidity for FFP, particularly if an IPO is not possible or if no private, trade or financial buyer can be found.

Details about equity risk management are also contained in Note 29.1 to the 2018 consolidated financial statements.

RISKS RELATING TO PRIVATE EQUITY INVESTMENTS

Identification of risks

Regarding private equity, FFP's risks relate to a fall in the value of investments made by private equity funds or the poor management of the funds themselves. LBO funds invest using leverage, which increases the scope for both creating and losing value.

A decline in the business levels or margins of underlying companies can cause funds to breach covenants, often leading to changes in their financing structure and in some cases a partial or total loss of equity investments in them.

There is an immediate liquidity risk, because private equity funds are not listed and do not provide periodic liquidity. In emerging-market countries, the legal environment is generally less secure. By investing in those countries, FFP is exposed to political and currency risks.

Risk management

Given these risks, and before taking any commitment in a private equity fund, the investment team follows a procedure identical to the one described above and mainly checks the competitive environment in which the fund will operate, the reputation of the fund's management and its historical returns. It carries out in-depth due diligence on the management company and the legal documentation governing the identified funds. Executive Management and FFP's teams also meet asset management companies on a regular basis, including outside France, to assess the quality of their investments and teams. FFP's allocation of annual commitments in private equity funds also seeks to ensure that the various strategies, geographical zones and vintages are balanced within its overall portfolio and are consistent with FFP's pre-determined strategic vision.

It may arise that some of the portfolio companies of private equity funds in which FFP has invested are unable to comply with their covenants. Discussions then take place with banks.

Fund management teams take into account such events in valuing their shareholdings. Fund valuations reported to FFP therefore include a reduction in the value of companies in that situation, which may give rise to provisions in FFP's financial statements.

On the short run, FFP's commitments in private equity funds are illiquid, although a secondary market has developed to allow investors to sell fund units before maturity. However, over the long run, illiquidity is limited to the extent that funds are bound to sell their investments after a few years, in order to distribute to unitholders their corresponding share of the proceeds. By making regular investments in new funds every year, over the long term FFP ensures the turnover of its invested capital, with future distributions financing new commitments. In addition, the maturity of a fund is limited to around 10 years.

In emerging-market countries, investments are mainly intended to finance the growth of companies that are smaller and riskier but have greater potential than European companies that have undergone LBOs. Private equity funds in those countries use little or no leverage, which limits financing problems experienced by some companies under LBOs in Europe. FFP seeks to work with well-known management teams consisting of investment professionals. In the private equity segment (including co-investments), emerging markets continue to represent a limited proportion of FFP's assets (4.5% of gross asset value on 31 December 2018).

RISKS RELATED TO REAL-ESTATE ASSETS

Identification of risks

The building in Gennevilliers, the sole asset of FFP-Les Grésillons, is being let to logistics firm Gefco. If the lessee vacates the building, FFP could suffer a loss of rent.

FFP also has a stake in Immobilière Dassault, which is a listed real-estate investment company exposed to real-estate risks. Since that company is listed, the risk management approach is closer to the one used for shareholdings (see above).

In 2016, FFP invested in the OPCI Lapillus II real-estate fund, which has purchased the Tour Marchand in the La Défense business district of Paris. The tower has floorspace of almost 16,000 m^2 and is let to a single tenant. The fund is managed by the real-estate team of LBO France and is governed by a Board of Directors on which FFP is represented. If the tenant vacates the building, FFP could suffer a loss of rent.

Since 2016, FFP has been working with several European families to support the development of several real-estate projects in the USA, which are being put forward and managed by a US team of professionals within ELV Associates, which was founded in 1991.

The projects mainly involve residential developments, but also office and retail developments. Regarding real-estate development, risks develop over time in the following way:

- **construction risk:** during the construction phase, a project may come to a halt because of weather conditions, the bankruptcy of the developer, or the underestimation of the project's complexity. At best, those risks may cause cost overruns compared with the initial budget, forcing investors to make additional investments. At worst, construction of the project may never be completed, in which case investors lose all of their investment;
- **occupancy risk:** it may take more time than expected to let apartments or rent levels may be lower than expected. This would result in returns that are lower than initially anticipated;
- **disposal risk:** when sold, the property may fetch a lower price than expected, thereby reducing the return anticipated by investors.

Risk management

Real-estate investments are subjected to the same selection procedure as asset categories set out above, involving several stages such as analysis, due diligence and a collegial decision taken by investment teams and Executive Management. Concerning investments in La Défense and the USA, FFP has been careful to invest in partnership with professional teams specialising in the real-estate sector and with a significant track record in terms of performance.

As far as Les Grésillons building is concerned, a new lease was negotiated and signed in January 2014, with retroactive effect from 1 July 2013. In return for a reduction in rent, FFP-Les Grésillons granted a 12-year lease, including a fixed 6-year period. FFP maintains regular contact with its tenant, and the building is checked for impairment every year.

FFP also invests in real-estate funds that present the same types of risks and are managed in the same way as private equity investments.

RISKS RELATED TO FFP'S STRUCTURE AND STRATEGY

RISKS RELATED TO GEOPOLITICAL INSTABILITY

Identification of risks

Overall, a deterioration in the economic environment may alter the investment, valuation and disposal conditions for FFP's shareholdings. An unfavourable economic outlook may adversely affect the future performance of certain shareholdings.

Certain political decisions may also increase regulatory and tax pressure, have major financial consequences and make it impossible to run businesses in a calm and confident manner.

FFP's growth partly relies on its presence in geographical zones that are seeing rapid economic growth. Political instability or changing economic, regulatory or social situations in those zones could threaten the profitability forecasts made when investment decisions were taken and affect the financial position and earnings of FFP's shareholdings. The value of those investments may also be affected by international economic sanctions adopted against certain countries. In addition, specific difficulties or risks relating to internal control or the failure to comply with applicable laws and regulations, such as anti-corruption regulations, could arise. Despite efforts being made by FFP before undertaking investments and then when monitoring its shareholdings, instances of corruption may arise within investees, which could have an adverse impact, particularly on the Group's image.

Risk management

FFP has chosen to invest in companies with resilient business models, solid internal processes and high-quality management.

FFP is strengthening its international positions, in particularly through private equity funds and co-investments, allowing it to diversify its country risk.

In addition, the creation of FFP Investment UK gives FFP greater leeway in managing its assets, as it can switch between the two entities – after a prior analysis of the feasibility of that type of transaction.

RISKS RELATING TO STRATEGIC VISION

Identification of risks

Because FFP majority is owned by the family holding company Établissements Peugeot Frères, differences in opinion between family members could affect the implementation of strategy within FFP.

Risk management

FFP has a solid governance structure with the presence of non-controlling shareholders and independent directors on its board, ensuring a degree of stability in the event of family disagreements.

The governance structure of Établissements Peugeot Frères, FFP's majority shareholder, also involves a well-structured Board of Directors that allows majority decisions to be reached on all types of subjects.

In addition, efforts to raise the new generation's awareness about FFP's operational activities are made on a regular basis.

RISKS RELATED TO REPUTATIONAL DAMAGE

Identification of risks

Damage to FFP's reputation, directly or through one of its investments, could make it less attractive as an investment partner.

Risk management

The investment selection process described above is collegial and tackles this issue. Regular monitoring of investments, with FFP members involved in the governance of its main shareholdings, allows FFP to be alerted to the emergence of new risks.

Strategic intelligence consultancy ADIT has produced a study that identifies and analyses FFP investee companies' ethics and compliance practices and those of groups operating in the same business sectors, providing an overview of risk areas and the maturity of investees' strategies to manage those risks, along with sector best practices. All staff members involved in the investment process have also undergone training in best practices regarding business ethics and compliance.

RISKS RELATED TO THE DEPARTURE OF KEY PERSONNEL

Identification of risks

FFP's ability to seize investment opportunities and capitalise on investees' value-creation potential depends to a large extent on its reputation and networks, along with the competence and expertise of its managers. As a result, the departure or death of one or more key people, particularly its Chairman and Chief Executive Officer and/or its Deputy Chief Executive Officer, could have a major adverse impact on FFP's activity and organisation.

When a shareholding is acquired, one of the main risks relates to the assessment of the skills and stability of its managing team. If members of the managing team leave FFP's investee companies, this could have an adverse impact on the development and strategy of the companies concerned, given the active partnership that FFP establishes with its investees' management teams.

Risk management

To limit that risk, FFP has two corporate officers both able to make decisions binding on the Company at any time, with no limitations in terms of powers or amount.

FFP has also adopted rules regarding travel arrangements to minimise the risk of several key people dying at the same time.

The collegial nature of investment and divestment decisions and efforts to monitor portfolio companies limits the impact of any departures within FFP.

Finally, the Company engages in succession planning for key people.

Regarding the departure of investees' management team members, FFP is generally represented on its investees' Boards of Directors and Governance, Appointments and Remuneration Committees and thus ensures that succession plans exist and are regularly reviewed.

OTHER RISKS

RISKS RELATED TO FUNDING AND LIQUIDITY

Identification of risks

Liquidity risk is presented in Note 29.2 to the 2018 consolidated financial statements. FFP is not currently exposed to liquidity risk. It would only be exposed to that risk in the event of a breach of covenants identified in Note 29.2 to the 2018 consolidated financial statements, which could occur would the situations described above materialize.

Risk management

As previously stated, the ratios involved in banking covenants are regularly monitored through stress testing.

RISKS RELATED TO INTEREST RATES

Identification of risks

Interest-rate risk is presented in Note 28.3 to the 2018 consolidated financial statements.

RISKS RELATED TO EXCHANGE RATES

Identification of risks

Exchange-rate risk is presented in Note 29.4 to the 2018 consolidated financial statements. The FFP group does not hedge its foreign-currency assets.

LEGAL RISKS

Identification of risks

To the Company's knowledge, no litigation concerning FFP is underway or pending. There are no other government, legal or arbitration proceedings – including pending or potential proceedings of which the Company is aware – that may have or have had in the past 12 months a material effect on the financial position or profitability of the company and/or its fully consolidated subsidiaries. Given the nature of its business and of its investments (purchases of minority stakes), the Company believes it has little exposure to commercial risks, responsibility or liability proceedings. However, it could be indirectly exposed to legal risk since some of its entities have seats on the boards of directors of its portfolio shareholdings and so the Company could be held accountable in the event of litigation.

INSURANCE AND RISK COVERAGE

FFP is covered by several insurance policies with respect to the following risks:

- property damage and business interruption;
- public liability;
- directors and officers liability;
- fraud/malicious attacks on IT systems.

INDUSTRIAL, CLIMATE AND ENVIRONMENTAL RISKS

Identification of risks

FFP does not have any direct industrial or commercial operations other than its investing activity. Its activities include being an industrial and commercial holding company. It is therefore exposed to risks that arise in any equity investment activity, but its business does not involve any particular risks of an industrial or human nature.

Weather risks are inherent in the operations of Château Guiraud – which makes Sauternes wine designated as "*premier cru classé*" according to the 1855 classification – and influence production volumes.

Risk management

As previously stated, when examining investment projects, FFP pays particular attention to the investee's business and the related risks, and when necessary it uses external experts and advisors. In its preliminary research, depending on the investee's business type, FFP may carry out specific environmental audits, to ensure that there are no major risks and to ensure that the investee takes active steps to protect the environment. That was particularly the case for its investments in SCA Château Guiraud and ONET.

Available wine inventories at Château Guiraud are sufficient to cover customer demand if production should be insufficient due to weather conditions.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY THE COMPANY

INTERNAL CONTROL PROCEDURES

This report was prepared with reference to:

- the revised version of the Autorité des Marchés Financiers' reference framework and its application guide dated January 2007; and
- the report of the working group on Audit Committees

published by the AMF on 22 July 2010.

All the recommendations are applied, and the internal control framework has been adapted to the Company and its operating procedures to reflect the limited size of its staff. According to the reference framework:

- **internal control** is a system the company is responsible for defining and implementing to ensure:
  - compliance with laws and regulations;
  - implementation of the instructions and orientations set forth by Executive Management,
  - proper functioning of the Company's internal processes, especially those relating to the protection of its assets;
  - reliability of financial information.

Generally speaking, it contributes to monitoring its activities, the efficiency of its operations and the efficient use of its resources. One of the objectives of internal control is to prevent and control risks resulting from business risks and risks of error or fraud, particularly in accounting and financial matters;

- **the internal control system** must have:
  - an organisational structure providing a clear definition of responsibilities, suitable resources and competencies and supported by appropriate information systems, procedures or operating methods, tools and practices;
  - internal flows of relevant and reliable information that enable everyone to exercise their responsibilities;
  - a risk management system identifying and analysing the main risks identified with regard to the company's objectives and ensuring that procedures are in place to manage these risks;
  - control mechanisms relevant to the specificities of each process and designed to reduce the risks that could affect the Company's ability to achieve its objectives;

- permanent monitoring of the internal control system together with a regular review of its effectiveness. Nevertheless, the internal control system cannot provide an absolute guarantee that the Company's objectives will be achieved.

GENERAL INTERNAL CONTROL ENVIRONMENT

A handbook of procedures and administrative and accounting guides drafted by the Company is provided to employees. This handbook presents the responsibilities of management and accounting, together with the risks and controls performed.

The handbook also includes risk mapping that is intended to present:

- the nature of risks, their probability of occurrence and severity;
- the controls implemented to address them;
- an assessment of the relevance of controls.

MAIN PARTICIPANTS IN THE INTERNAL CONTROL SYSTEM

THE BOARD OF DIRECTORS

The Board of Directors, with the assistance of the Finance and Audit Committee, is responsible for ensuring the effectiveness of the internal control system, as defined and implemented by Executive Management. If necessary, the Board of Directors may use its general powers to take the measures and conduct the checks it deems appropriate.

EXECUTIVE MANAGEMENT

Executive Management is responsible for defining, implementing and monitoring a suitable and effective internal control system. Should a failure occur, it undertakes to implement the requisite remedial measures.

EXECUTIVE COMMITTEE

The Executive Committee implements the decisions concerning FFP's strategy in line with the long-term direction set by the Board of Directors. The Chairman and Chief Executive Officer, the Deputy Chief Executive Officer, the Chairman and Chief Executive Officer of FFP Investment UK, the Chief Investment Officer, the Chief Financial Officer and the Chief Legal Officer and the Deputy Chief Legal Officer hold a bi-monthly meeting.

DESCRIPTION OF FFP'S INTERNAL CONTROL PROCEDURES

COMPLIANCE WITH LAWS AND REGULATIONS

The Company's Legal division monitors current events to inform Executive Management and employees of any new regulations applicable so that the Company:

- is aware of the various rules and legislations applicable;
- is informed in due time of any changes to it;
- can include these rules into its internal procedures;
- can inform and train employees about the new rules and legislations affecting them.

The Finance division monitors changes in the tax and accounting rules and ensures that they are taken into account in the financial statements of the Company and the FFP group.

IMPLEMENTATION OF THE INSTRUCTIONS AND DIRECTION SET BY EXECUTIVE MANAGEMENT

Executive Management sets the Company's objectives and long-term orientations and ensures that these are communicated to all employees.

PROPER FUNCTIONING OF THE COMPANY'S INTERNAL PROCESSES, ESPECIALLY THOSE RELATING TO THE PROTECTION OF ITS ASSETS

a. Investment decisions

Investments in new shareholdings are suggested by Executive Management and might be validated by the Board of Directors, after receiving the opinion of the Investments and Shareholdings Committee. The constraints laid down in the stock market regulations in force are abided by when transactions in listed securities are entered into. Additions to or reductions in the size of existing shareholdings are reviewed by the Investments and Shareholdings Committee and then suggested to the Board of Directors. Investments in or divestments of portfolio investment securities are validated by Executive Management, respectful of the fact that investment outlays for all investment transactions must not exceed the maximum annual amount allotted by the Board of Directors.

b. Monitoring of investments in shareholdings and Portfolio Investment Securities

Executive Management is responsible for monitoring investments in shareholdings and Portfolio Investment Securities. The Investment Department is closely involved in this process.

The monitoring of shareholdings includes regular meetings with the management teams of investees, regular briefings with the investment analysts covering the listed companies, and, more generally, the various organisations that can help FFP gain the best possible insight into the activities of the investee, its economic and competitive environment and its outlook, and also how its valuation prospects are seen by the markets over the medium and long term.

Summary briefings are provided on a regular basis to report on FFP's analysis of investees' results and on strategic developments affecting the investment in the portfolio of FFP, FFP INVEST and FFP Investment UK Ltd.

FFP, FFP INVEST and FFP Investment UK Ltd are systematically represented on the boards of the companies in which they hold shareholdings. The directors and permanent representatives hold regular discussions with Executive Management and in this way report on board activities and events.

The senior management teams of FFP shareholdings are invited to make a presentation to the Investments and Shareholdings Committee on a regular basis.

Portfolio Investment Securities principally consist of holdings in private equity funds. FFP holds regular meetings with the teams managing these funds. They send a quarterly report on how the economic environment affects the companies in which the fund has invested and on the business and financial health of the portfolio companies. The Deputy Chief Executive Officer, the Chief Investment Officer and the Chief Financial Officer hold very regular discussions concerning the monitoring of cash flows related capital calls and redemptions by the private equity funds.

A summary of this monitoring is presented to the Investments and Shareholdings Committee, which tracks the development and performance of the portfolio of shareholdings and holdings in private-equity funds.

c. Debt management

Executive Management is responsible for debt management, with the assistance of the Finance division. The aim is to ensure that funding capacity required by the Company for its financial investments plan is available at all times, and at the lowest possible cost. A debt status report is produced every month. A status report on debt and related hedges is presented by Executive Management at each Board of Directors' meeting.

To cover its funding requirements, FFP currently has several bond issues due to mature in 2025-2027 along with bilateral credit facilities that generally have a shorter maturity (3-5 years) but are regularly renewed.

For further information, see Note 29.2 to the 2018 consolidated financial statements on the management of liquidity risk.

d. Treasury monitoring

The Finance division has responsibility for managing treasury investments and follows the policy formulated by Executive Management. Cash management is set in a day-to-day framework, aiming at investing available funds on a short-term basis until their use is required for the aforementioned investments.

For these short-term investments, the priority is the safety of the funds. Only standard cash UCITS are selected.

Treasury reporting is produced on a monthly basis and sent to Executive Management.

e. Preparation of reporting

A status report is prepared every month that includes:

- changes in the value of listed shareholdings and private equity funds;
- the debt and cash position, credit lines drawn down and repayments due, the cost of debt and hedging;
- cash inflow and outflow tracking, including movements related to private equity investments;
- an overview of general administration expenses, dividends received and due.

RELIABILITY OF FINANCIAL INFORMATION

The procedures implemented aim to separate the preparation and control, accounting records and payment functions.

a. Procedures for the preparation of the parent-company and consolidated financial statements

The parent-company financial statements are prepared on an annual basis. They are prepared in accordance with ANC (French accounting standards setter) Regulation no. 2014-03. These rules aim to provide a true and fair view of the Company, following a precautionary principle. Historical cost is the basic method used to measure items recorded in the accounts. For more details, please refer to Note 1 – Accounting Policies and Methods to the parent-company financial statements. The parent-company financial statements are audited by the Statutory Auditors, who are responsible for preparing a report. They are also presented to the Finance and Audit Committee.

The consolidated financial statements are prepared for an interim period and for the full year in accordance with the regulations in place for publicly traded companies. Pursuant to Regulation no. 1606/2002 of 19 July 2002, the Company's financial statements have been prepared in line with IFRSs since 1 January 2005. The annual and interim financial statements are audited by the Statutory Auditors, which are responsible for preparing a report. They are also presented to the Finance and Audit Committee.

The Company fully consolidates or accounts for its subsidiaries and investments under the equity method.

The main stages in the preparation and audit of the parent-company and consolidated financial statements are:

- prior identification of entries that are new, sensitive and likely to have a material effect on the financial statements or likely to raise accounting issues, as well as new requirements, especially in terms of the IFRSs;
- a meeting with the Statutory Auditors prior to the annual and interim year-end dates to examine the key points of the reporting period;
- identification of the points likely to have a material impact on the financial statements. The information is communicated to Executive Management and possibly to the Board of Directors.

The main risks incurred are those arising from the valuation of shares and those arising from non-application of an accounting rule or from a material error. The main measures taken to mitigate these risks are as follows:

- non-listed securities are valued by the Finance division and the Investments division, and details of the valuation are then presented to the Statutory Auditors;
- the meeting with the Statutory Auditors ahead of closing plays a big role in improving the quality of the process of preparing the financial statements because it allows a consensus to be reached and any challenging issues to be dealt with prior to closing;
- the checks on the main stages by the Chief Financial Officer provide an additional level of control;
- the proof-reading of the financial statements and reports by another person in the Finance division provides a consistency check, with special attention to changes from the previous year;
- the final audit by the Statutory Auditors is followed by a review by the Finance and Audit Committee.

b. Procedure of reporting and monitoring off-balance sheet commitments

All the Company's contracts are subject to approval by the Company's Legal division. A list of off-balance sheet commitments is drawn up.

In accordance with the provisions of law, the grant of sureties, endorsements and guarantees must be approved in advance by the Board of Directors. In its meeting of 11 December 2018, the Board of Directors renewed the authorisation given to the Chairman and Chief Executive Officer – which may be delegated, including to the Deputy Chief Executive Officer – to provide sureties, endorsements and guarantees on the Company's behalf in a maximum aggregate amount of €1,000,000, for a further period of 12 months from 1 January 2019 until 31 December 2019. This authorisation will be renewable at the end of 2019.

c. Procedure for controlling expenditure – Banking powers

General administration expenses of less than €10,000 may be incurred by the Chief Investment Officer or the Chief Financial Officer. If they exceed this level, they may only be incurred by Executive Management or in conjunction with the Chief Legal Officer. Accordingly, general administration expenses are entered in the accounts and settled by the Finance division only after the expenditure has been approved by the authorised persons.

The Chairman and Chief Executive Officer, and the Deputy Chief Executive Officer are authorised to sign payments of an unrestricted amount. The Chief Legal Officer and two designated members of the Finance division are each authorised to sign for payments of up to €10,000. Above this amount, a signature by both the Chief Legal Officer and by one of the two designated members of the Finance division is required.

REGULAR TIGHTENING-UP OF THE INTERNAL CONTROL SYSTEM

a. Code of ethics

The Company has prepared a stock market code of conduct that was approved by the Board of Directors on 19 November 2008. This code of conduct was updated in 2016 to accommodate the changes introduced by Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse. This document aims to make each of its employees aware of the applicable rules, including where inside information is held concerning the shares of a listed company. All the employees have adhered to the code.

In addition, on 12 September 2013, the Company overhauled FFP's Internal Rules, which incorporate a Stock Market Code of Ethics applicable to directors. In its meeting of 17 September 2018, the Board approved an update to its internal rules, in particular to take account of changes in market abuse regulations.

b. List of insiders

In 2018, the Company updated its internal procedure for handling inside information. That procedure includes new obligations, particularly regarding the keeping of insider lists.

c. Handbook of procedures and accounting organisation

The handbook of administrative and accounting procedures and risk mapping are updated on a regular basis to factor in the introduction of new procedures and the occurrence of new risks.

d. IT Code of Conduct

The Company provides a copy of an IT Code of conduct and advice on using computers to its existing staff and to all new employees. Its goal is to protect the organisation's interests, while also upholding users' rights. The rules are intended to help ensure that every user has an effective and secure workstation at their disposal at all times that satisfies the availability, confidentiality and data integrity imperatives, the Company's corporate image and all the applicable statutory and regulatory guidelines.

4.4 Post-balance sheet events

On 19 February 2019, FFP disposed of its entire stake in DKSH, a leading Swiss company providing services to businesses to help them set up and expand in Southeast Asian markets, i.e. 3,820,000 shares representing 5.9% of the company's capital. The disposal was made at CHF 55.75 per share, totalling to CHF 212 million. FFP achieved a total investment multiple of 4.3x on DKSH.

4.5 Trends and outlook

With the integration of the Opel/Vauxhall business over a full year, the PSA Group achieved record results in 2018. It generated a historically high operating margin of 7.7%. As of 31 December 2018, PSA had net cash of more than €9 billion. As promised, the group provided an update on its "Push to Pass" plan and adopted the aim of achieving a margin of at least 4.5% per year on average for the next three years across its automotive division (Peugeot Citroën DS + Opel/Vauxhall).

In a volatile environment, FFP's Investments continued to achieve firm growth, supported by long-term trends such as the growing middle class in emerging-market countries, population ageing, growth in healthcare spending and the outsourcing of business services. Those underlying trends have enabled FFP's Investments to achieve good performance in recent years. Although a correction affected stock markets in late 2018, the subsequent rally has confirmed the Investments' robust fundamentals.

FFP has a strong organisation and has substantial financial resources – including over €400 million of unused credit facilities – to support its strategy as a long-term minority investor, while keeping debt levels under control. FFP will continue to monitor its existing shareholdings actively, in particular through its involvement in governance bodies, and will at the same time continue to seek new investment opportunities with the same disciplined and selective approach. It will use the same approach when developing and managing its portfolio of private equity funds, co-investments and real-estate assets.

4.6 Other business information

PROPERTY, PLANT AND EQUIPMENT

The Company's FFP INVEST subsidiary owns 100% of FFP-Les Grésillons, which in turn owns a warehouse and office building in Gennevilliers. That building is let, and its net value on the consolidated balance sheet was €18.6 million on 31 December 2018, versus €17.6 million on 31 December 2017.

FFP, via its wholly-owned FFP INVEST subsidiary, owns 74.9% of Financière Guiraud SAS, which owns 100% of SCA Château Guiraud, a maker of Sauternes wine that is designated as "premier cru classé" according to the 1855 classification. The 128-hectare estate contains 100 hectares of vineyards. Its business is described on page 29 of the Registration Document.

DEPENDENCE ON PATENTS, LICENCES AND INDUSTRIAL, COMMERCIAL AND FINANCIAL CONTRACTS

The Company has no dependence on patents, licences and industrial, commercial and financial contracts, except where indicated in Notes 29.2 and 29.3 to the 2018 consolidated financial statements.

INFORMATION ON SUPPLIER PAYMENT TERMS (ARTICLE L.441-6-1[1] OF THE FRENCH COMMERCIAL CODE)

At the end of 2018, no trade payables were due.

INFORMATION ON CLIENT PAYMENT TERMS (ARTICLES L. 441-6-1 AND D. 441-4 OF THE FRENCH COMMERCIAL CODE)

At the end of 2018, no client invoices were unpaid

MAIN INVESTMENTS AND DIVESTMENTS IN 2016, 2017 AND 2018

4.6

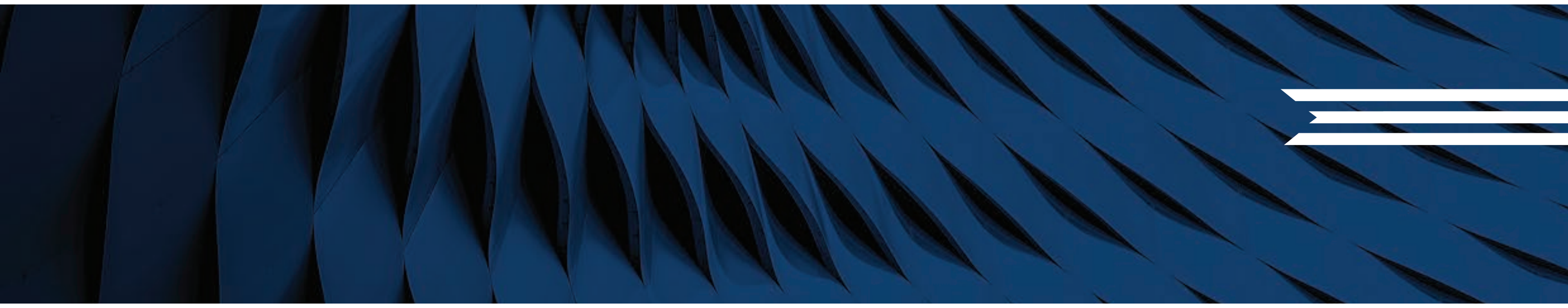
2016	Investments	Divestments
New shareholdings	**Tikehau Capital:** acquisition of a 6% stake in group holding company Tikehau Capital Advisors and a 4% stake in Tikehau Capital, its long-standing investment vehicle, for a total of €73 million **ELV:** $32.6 million commitment to various real-estate projects in the USA via ELV Associates **Lapillus II:** €10 million investment in the real-estate fund that owns Tour Marchand in the La Défense district	
Reductions/additions	**LDAP:** additional investment as part of the €10.5 million capital increase, to the extent of FFP's entitlement, i.e. €4.7 million	
Co-Investments	**Roompot:** €11 million co-investment alongside PAI Partners in the Netherlands' leading holiday park operator **JAB CF Global Brand:** $50 million(1) commitment to the JAB Holding co-investment vehicle **IHS:** an additional $2.5 million invested in 2016 alongside Wendel	
Private equity	**Advent VIII international:** $15 million (1) **Keensight IV:** €10 million (1) **Vista Foundation:** $15 million (1) **ECP Africa IV:** $10 million (1) **ClearVue Partners II:** $5 million (1) **Montefiore IV:** €10 million (1) **DBAG VII:** €10 million (1) **JVP Opportunity VII:** $5 million (1)	

(1) Commitments, not completed investments.

2017	Investments		Divestments
New shareholdings	**SPIE:** Acquisition of a 5.5% stake from Clayax and in the market for a total of €201 million **ELV:** $13.5 million of commitments to various real-estate projects in the USA via ELV Associates		**Sanef:** Disposal of FFP's entire stake in the HIT holding company for €238 million **Ipsos:** disposal of FFP's entire stake in the market for €30 million **ONET:** disposal of the 2nd tranche of ONET shares for €48 million
Reductions/additions	**Total Eren:** additional investment as part of the near-€100 million capital increase, to the extent of FFP's entitlement, i.e. €14 million **Tikehau:** investment of €26 million as part of Tikehau Capital's €702 million capital increase and that of its controlling holding company		
Co-investments	**AmaWaterways:** $25 million investment via a consortium led by Certares LP in a company that organises river cruises in Europe **Lineage Logistics:** $25 million investment via Bay Grove in the leading US player in refrigerated storage and distribution **Ciprés:** €15 million investment alongside the Apax France IX fund in a French insurance broker **Capsa:** $18 million investment alongside Levine Leichtman VI in a US distributor of medical equipment **JAB CF Global Brand II:** $150 million (1) commitment to JAB Holding's second co-investment vehicle		
Private equity	**Chequers XVII:** €10 million (1) **Portobello IV:** €15 million (1) **Levine Leichtman VI:** $15 million (1) **Valor Equity IV:** $15 million (1) **Veritas VI:** $10 million (1)	**Alpha Diamant II:** €2 million (1) **Summit Partner Europe II:** €12 million (1) **Insight Partners X:** $15 million (1) **PAI VII:** €20 million (1)	

2018	Investments		Divestments
New investments	**Safran:** after Safran's takeover of Zodiac Aerospace, FFP received €141 million in cash and Safran shares. After investing €31 million in additional Safran shares, FFP owns a 0.7% stake in Safran **ELV:** $36.6 million of commitments to various real-estate projects in the USA via ELV Associates		**ELV:** sale of the first real-estate project for $4.7 million
Reductions/additions			**ORPEA:** sale of a 0.85% stake in ORPEA for €63.8 million
Co-investments	**JAB Holding:** additional $130 million commitment relating to various co-investment vehicles **Big Bottling Company:** $10 million investment alongside IDI Emerging Markets in a company that bottles and sells carbonated drinks in Nigeria **MED Platform 1:** €80 million committed to an investment platform in the healthcare sector with the possibility of doubling up that exposure by co-investing in certain projects **Asmodee:** €20 million investment alongside PAI Partners in the world number three in board games and collectable cards		
Private equity	**Webster IV:** $15 million (1) **Quad V:** $15 million (1) **K4:** $15 million (1) **Warburg Pincus Global Growth:** $20 million (1) **FAPI III:** €15 million (1)	**Astorg VII:** €12 million (1) **Keensight V:** €20 million (1) **Idinvest Digital III:** €15 million (1) **Alter Equity II:** €3 million (1) **White Stone VII:** €15 million	

(1) Commitments, not completed investments.



5. FINANCIAL STATEMENTS

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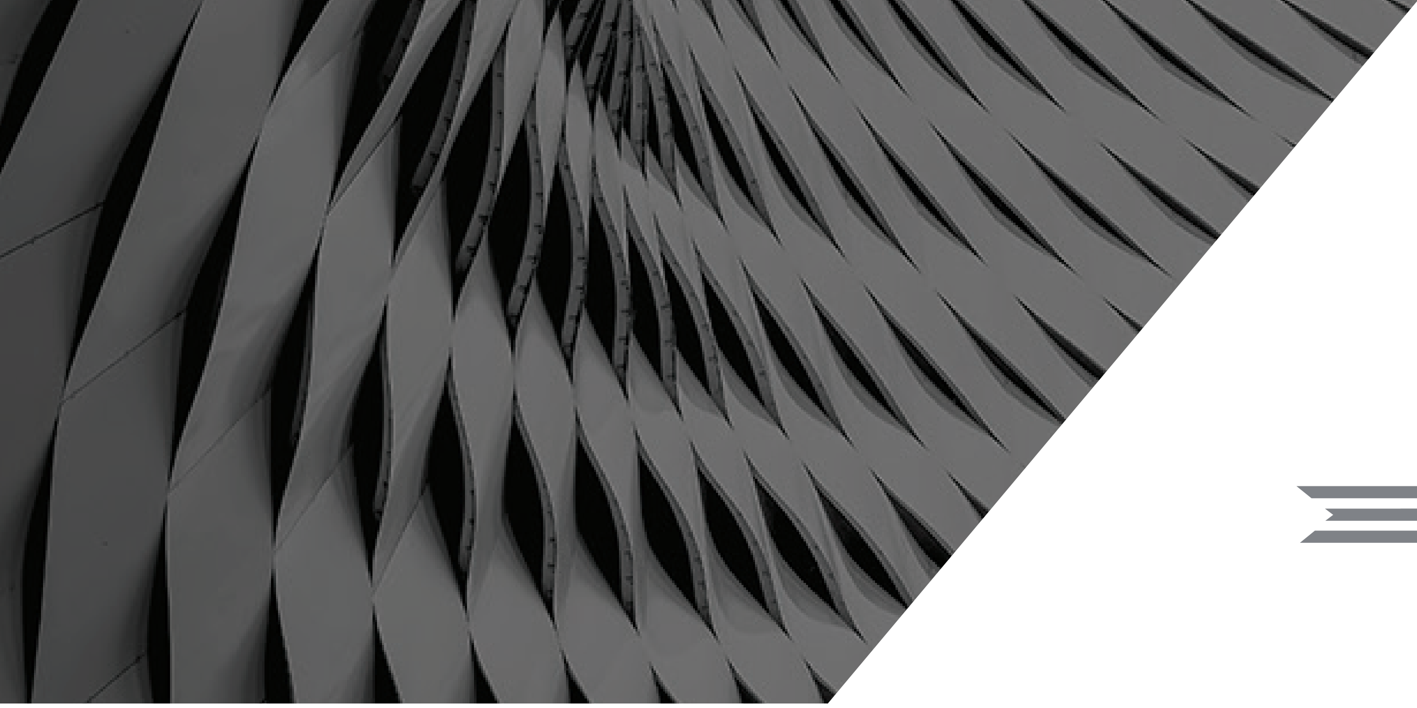

5.1 CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	31/12/2018	31/12/2017
Income from long-term investments	3	153,856	230,137
Income from investment properties	4	2,327	1,165
Income from other activities	5	3,708	3,715
Income from ordinary activities		**159,891**	**235,017**
General administrative expenses	6	(23,489)	(20,510)
Impairment of long-term investments	7	–	(4,446)
Cost of debt	8	(14,589)	(13,063)
Pre-tax profit from consolidated companies		**121,813**	**196,998**
Share in the net profit or loss of associates	9	6,179	20,860
Consolidated pre-tax profit		**127,992**	**217,858**
Income tax (including deferred tax)	10	(13,458)	3,751
CONSOLIDATED NET PROFIT		**114,534**	**221,609**
Of which attributable to equity holders of the parent		114,872	221,774
Of which attributable to non-controlling interests		(338)	(165)
Net profit attributable to equity holders of the parent per share (in euros)	11	**4.61**	**8.85**
Diluted net profit attributable to equity holders of the parent per share (in euros)	11	**4.64**	**8.96**
Number of shares outstanding		24,922,589	25,072,589
Par value per share (in euros)		1.00	1.00

OTHER COMPREHENSIVE INCOME

(in thousands of euros)	Notes	31/12/2018	31/12/2017
Consolidated net profit		114,534	221,609
Impact of equity-accounted companies on net comprehensive income	12	6,552	(5,963)
Net effect of remeasuring financial assets [(1)]	12	(264,134)	323,365
Capital gains on disposals of equity securities [(2)]	12	231,551	–
Net effect of remeasuring derivative instruments	12	(1,431)	3,334
Exchange differences	12	12,400	(13,603)
Net effect of other remeasurements taken directly to equity	12	11,182	(15,621)
Total other comprehensive income		(3,880)	291,512
CONSOLIDATED COMPREHENSIVE INCOME		110,654	513,121
Of which attributable to equity holders of the parent		110,992	513,286
Of which attributable to non-controlling interests		(338)	(165)

5.1

(1) Details on gross amounts and tax are provided in note 12.

(2) Of which realised capital gains (net of tax):
- €185,144 thousand as a result of Safran's cash-and-shares public offer for Zodiac Aerospace;
- €44,958 thousand on the sale of ORPEA shares.

CONSOLIDATED BALANCE SHEET ON 31 DECEMBER 2018

ASSETS

(in thousands of euros)	Notes	31/12/2018	31/12/2017
Non-current assets			
Intangible assets			
Concessions, patents and similar items	14	27	42
Property, plant and equipment			
Investment properties	15	18,600	17,600
Land	15	13,347	13,347
Buildings	15	1,797	457
Vineyards	15	1,277	1,330
Other assets	15	1,412	2,149
		36,433	**34,883**
Investments in associates (accounted for under the equity method)	16	**257,667**	**248,140**
Non-current financial assets			
Investments in non-consolidated companies	17	3,171,562	3,341,413
Portfolio Investment Securities	17	1,132,935	745,210
Other non-current financial assets	17	5,629	12,071
		4,310,126	**4,098,694**
Deferred tax assets	18	**2,590**	**4,515**
TOTAL NON-CURRENT ASSETS		**4,606,843**	**4,386,274**
Current assets			
Inventories	19	7,331	9,527
Current tax assets	18	–	4,063
Other receivables	20	2,393	6,726
Cash and cash equivalents	21	11,405	17,414
TOTAL CURRENT ASSETS		**21,129**	**37,730**
GRAND TOTAL		**4,627,972**	**4,424,004**

CONSOLIDATED BALANCE SHEET ON 31 DECEMBER 2018

EQUITY AND LIABILITIES

(in thousands of euros)	Notes	31/12/2018	31/12/2017
Equity			
Share capital	22	24,923	25,073
Share premium	22	158,410	158,410
Reserves	22	3,271,437	3,103,617
PROFIT FOR THE YEAR (attributable to equity holders)	22	114,872	221,774
Total capital and reserves (attributable to equity holders of the parent)		**3,569,642**	**3,508,874**
Non-controlling interests	22	(235)	107
TOTAL EQUITY		3,569,407	3,508,981
Non-current liabilities			
Non-current financial liabilities	23	934,591	816,803
Deferred tax liabilities	18	98,441	83,123
Provisions	24	568	522
Other non-current liabilities	26	201	237
TOTAL NON-CURRENT LIABILITIES		1,033,801	900,685
Current liabilities			
Current financial liabilities	23	12,034	6,769
Current tax liabilities	18	6,555	5
Other liabilities	26	6,175	7,564
TOTAL CURRENT LIABILITIES		24,764	14,338
GRAND TOTAL		4,627,972	4,424,004

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)		31/12/2018	31/12/2017
Consolidated net profit		114,534	221,609
Net additions to depreciation, amortisation and provisions		2,130	4,724
Gains or losses on disposals of non-current assets		1,748	(153,084)
Unrealised gains and losses resulting from changes in fair value		(73,486)	144
Share of profit or loss of equity-accounted entities, net of dividends received		(998)	(16,418)
Net cost of debt		14,589	13,063
Current and deferred tax expense		13,458	(3,751)
CASH FLOW BEFORE COST OF NET DEBT AND TAX	**(A)**	**71,975**	**66,287**
Current tax expense	(B)	(6,789)	(137)
Change in the operational working capital requirement	(C)	13,889	(1,898)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**(D) = (A+B+C)**	**79,075**	**64,252**
Purchases of property, plant and equipment and intangible assets		(1,059)	(1,640)
Income from disposals of property, plant and equipment and intangible		86	–
Purchases and sales of treasury shares		(739)	(29,333)
Purchases of long-term investments		(381,786)	(438,732)
Income from disposals of long-term investments		249,011	345,572
Change in other non-current assets		6,915	(8,280)
NET CASH FLOWS FROM INVESTING ACTIVITIES	**(E)**	**(127,572)**	**(132,413)**
Dividends paid during the period		(49,485)	(45,129)
Proceeds from new borrowings		107,000	243,321
Debt repayments		(321)	(110,438)
Change in other non-current financial liabilities		(117)	4,510
Net interest paid		(14,589)	(13,063)
NET CASH FLOWS FROM FINANCING ACTIVITIES	**(F)**	**42,488**	**79,201**
Impact of measuring investments in money-market UCITS at fair value	(G)	–	–
CHANGE IN CASH AND CASH EQUIVALENTS	**(D+E+F+G)**	**(6,009)**	**11,040**
Cash and cash equivalents at beginning of period		17,414	6,374
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**11,405**	**17,414**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(in thousands of euros)	Par value of shares	Share premium	Treasury shares	Consolidated reserves and retained earnings	Exchange differences	Asset valuation reserve	TOTAL
Equity on 01/01/2017 (attributable to equity holders of the parent)	25,073	158,410	(49)	1,486,016	1,725	1,398,877	3,070,052
2017 comprehensive income				200,190	(13,603)	326,699	513,286
Dividends paid with respect to 2016				(45 129)			(45,129)
Treasury shares and other			(29,396)	61			(29,335)
Equity on 31/12/2017 (attributable to equity holders of the parent)	25,073	158,410	(29,445)	1,641,138	(11,878)	1,725,576	3,508,874
IFRS 9 reclassifications (Note 17.2)							
Release of provisions set aside under IAS 39							
Equity securities				97,191		(97,191)	–
Portfolio Investment Securities				21,067		(21,067)	–
Net effect of remeasuring Portfolio Investment Securities at fair value				94,962		(94,962)	–
Equity on 01/01/2018 (attributable to equity holders of the parent)	25,073	158,410	(29,445)	1,854,358	(11,878)	1,512,356	3,508,874
Capital reduction	(150)			(13,248)			(13,398)
2018 comprehensive income				364,157	12,400	(265,565)	110,992
Dividends paid with respect to 2017				(49,485)			(49,485)
Treasury shares and other			12,720	(61)			12,659
Equity on 31/12/2018 (attributable to equity holders of the parent)	24,923	158,410	(16,725)	2,155,721	522	1,246,791	3,569,642

Dividends paid in 2017 with respect to 2016 amounted to €45,129 thousand, or €1.80 per share.
Dividends paid in 2018 with respect to 2017 amounted to €49,485 thousand, or €2.00 per share.

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The 2018 consolidated financial statements and the notes to the financial statements were approved by FFP's Board of Directors on 15 March 2019.

NOTE 1 ACCOUNTING POLICIES

FFP's consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Those standards can be consulted at http://ec.europa.eu.

International Financial Reporting Standards include IFRSs and IASs (International Accounting Standards) and the related interpretations as prepared by the SIC (Standing Interpretations Committee) and the International Financial Reporting Interpretations Committee (IFRIC).

All standards, interpretations and amendments published by the IASB, as adopted by the European Union on 31 December 2018, were applied.

With the exception of the impact of applying IFRS 9 and IFRS 15 on 1 January 2018, the accounting policies used to prepare the financial statements for the six months ended 31 December 2018 are identical to those used for the year ended 31 December 2017.

IFRS 9 "Financial instruments" establishes new requirements concerning:

- **the classification and measurement of financial assets and liabilities:**

  The reclassification of financial assets within the IFRS 9 categories had no impact on their respective measurement bases. The only impact relates to the presentation of changes in the fair value of those financial assets. The FFP group has designated all of its non-consolidated equity securities as at fair value through other comprehensive income. As a result, changes in the fair value of those assets are no longer subsequently taken to profit or loss when realised, whereas they would have been under IAS 39. Other financial assets, mainly consisting of Portfolio Investment Securities, are classified at fair value through profit or loss.
- **hedge accounting:**

  Existing hedge relationships are all regarded as continuing hedge relationships and remain in force.

The adoption of IFRS 15 "Revenue from contracts with customers" had no impact on the financial statements for the period.

No new standards were applied early. The main new IFRSs that will be applicable in future periods are as follows:

	Applicable to periods starting on or after
IFRS 16 – Leases	01/01/2019
Amendments to IFRS 9 – Prepayment Features with Negative Compensation	01/01/2019

The potential impacts of IFRS 16 on the group's consolidated financial statements are currently being analysed. As yet, no major impact has been identified.

1.1 SCOPE OF CONSOLIDATION

The scope of consolidation and changes therein are described in Note 2.

A. SUBSIDIARIES

Subsidiaries are entities over which FFP has sole control. Subsidiaries are fully consolidated from the date on which control is transferred to FFP.

They are recognised at acquisition cost, which corresponds to the fair value of assets acquired and liabilities assumed, plus costs directly attributable to the acquisition. The surplus of the acquisition cost over the fair value of the acquired company's identifiable net assets is recognised as goodwill under intangible assets.

Intra-group transactions and balances on transactions between group companies are eliminated. The accounting policies of subsidiaries have been aligned with those of FFP.

B. ASSOCIATES

Associates are all entities over which the Group does not have control, but over which it has significant influence, which is generally the case if the group holds 20.00-50.00% of its voting rights. Investments in associates are accounted for under the equity method, on the basis of the associates' consolidated financial statements, and initially recognised at cost.

The ownership percentage used for consolidation purposes is calculated by dividing the number of shares held in the associate by the associate's total number of shares in issue minus treasury shares that are destined to be cancelled.

1.2 FOREIGN-CURRENCY TRANSACTIONS

FFP's financial statements are presented in euros.

Transactions denominated in foreign currencies are translated into euros on the exchange rate in force on the transaction date. Foreign-currency items on the balance sheet consist mostly of investments in non-consolidated companies, Portfolio Investment Securities and subscription commitments recognised under debt. They are remeasured at the period-end exchange rate at each balance sheet date.

Exchange differences on investments in non-consolidated companies are recorded in reserves, and those on Portfolio Investment Securities in profit and loss.

The financial statements of group companies whose operational currency is not the euro are translated at the period-end exchange rate for balance-sheet items, and at the average rate of the period for income-statement items. The difference between the opening and closing balance sheet, and the difference resulting from the application of those exchange rates, are taken to "exchange differences" under consolidated reserves.

1.3 USE OF ESTIMATES

Preparing financial statements in accordance with IFRSs requires management to make estimates and assumptions in order to determine the amounts of certain assets, liabilities, income and expense items, as well as certain information disclosed in the notes to the financial statements.

The main financial statement items that depend on estimates or judgment are securities in companies accounted for under the equity method, investments in unlisted non-consolidated companies and unlisted Portfolio Investment Securities.

1.4 INTANGIBLE ASSETS

Intangible assets consist of purchased software. Software is recognised at purchase cost and amortised over its estimated useful life of 1 year. No goodwill is currently recognised on fully consolidated subsidiaries.

1.5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of an investment property and assets mainly relating to the winemaking business.

A. INVESTMENT PROPERTY

This is an office and warehouse building that is let to a tenant. It is measured at fair value, and differences in value between one balance sheet date and the next are taken to income for the period.

Fair value is determined annually by an independent appraiser, based on market conditions, the quality of the building, its location, floorspace, use and rental status.

B. OTHER PROPERTY, PLANT AND EQUIPMENT

Other property, plant and equipment mainly consist of the vines, buildings and equipment used in the winemaking business.

The vines were measured at their fair value at the time FFP bought shares in Sca Château Guiraud in 2006. Measurement criteria are monitored periodically.

The remaining property, plant and equipment, including planting costs that are regarded as land development costs, are recognised at cost (purchase price plus directly related costs).

Depreciation is calculated on a straight-line basis over the useful lives of assets. The main useful lives used are as follows:

- vineyards: 25 years;
- buildings: 10-50 years;
- plant and equipment: 4-10 years;
- computer equipment: 3-4 years;
- office furniture: 10 years;
- fixtures and fittings: 10 years.

1.6 FINANCIAL ASSETS AND LIABILITIES

The Group classifies its financial assets (excluding investments in associates) in the following categories:

- assets measured at fair value through other comprehensive income, relating to investments in non-consolidated companies;
- assets measured at fair value through profit and loss, relating to Portfolio Investment Securities, cash and cash equivalents;
- assets at amortised cost, relating to loans and receivables.

The classification depends on the reasons for which the financial assets were acquired and their characteristics. That classification is determined at initial recognition.

A. INVESTMENTS IN ASSOCIATES

This item comprises investments in associates accounted for under the equity method.

Measurement

The Group's share in the net profit of associates after the acquisition is recognised under consolidated profit, and the Group's share of changes in equity (with no impact on profit) after the acquisition is recognised directly in equity. The carrying amount of the investment is adjusted to reflect cumulative changes after the acquisition.

Impairment

At each balance sheet date, FFP examines whether there is an objective indication of non-temporary and substantial impairment in each of its investments in associates, such as a material change that has a negative effect on the technological, market, economic or legal environment in which each company operates. If such an indication is found, an impairment test is performed. Where the recoverable amount is lower than the carrying amount, the investment in the associate is impaired. The recoverable amount of the investment is the higher of its fair value less costs to sell and value in use. Value in use may be calculated in several ways: peer-group comparison, discounted estimated future cash flows where FFP has reliable medium-term cash flow projections, and the Company's net worth.

B. NON-CURRENT FINANCIAL ASSETS

A. ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

a1. Investments in non-consolidated companies

This item includes securities in companies over which FFP has neither sole control, joint control nor significant influence. The securities are held for an indeterminate period.

These securities must have the characteristics of an equity instrument. They are classified irrevocably at the time of their acquisition.

They are recognised at purchase cost including material related costs.

Measurement

At each balance sheet date, securities are measured at fair value. Changes in fair value are taken to equity, net of deferred tax.

The fair value of listed companies is based on the period-end market share price.

The fair value of unlisted companies is determined as follows:

Assets acquired recently, generally in the last year, are measured at cost, except where the Company's economic variables (e.g. operations, balance sheet and liquidity) have deteriorated materially;

Other companies are valued on the basis of:

- discounted cash flows where possible;
- various multiples, particularly market multiples, transaction multiples or, where applicable, multiples stated in shareholder agreements signed by FFP;
- with reference to Net Asset Value;

reliable and appropriate manner, at historic cost, except where the Company's economic variables have deteriorated materially.

When securities are sold, the difference between the selling price and the previously recognised fair value is taken to equity.

Dividends received from these securities are recognised in the income statement under "Income from long-term investments" following the dividend payment decisions taken in the companies' AGMs.

B. ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

b1. Portfolio Investment Securities

This portfolio consists mainly of units in private equity funds and diversified UCITS, which represent investments over varying timeframes, with the aim of generating a satisfactory return.

Subscription commitments are also reported in this line, with an off-setting entry in the "non-current financial liabilities" line for their nominal value (see sub-section D. below).

Measurement

At each balance sheet date, fair value is measured on the basis of the closing market price for listed securities, the last reported Net Asset Value for asset management companies, or any other information that is representative of a transaction value (see above "Measurement of unlisted securities").

Changes in fair value are taken to profit or loss, net of deferred tax.

When Portfolio Investment Securities are sold, the difference between the selling price and the recognised fair value is taken to profit or loss.

C. CURRENT FINANCIAL ASSETS

A. OTHER RECEIVABLES

These are initially recorded at fair value then measured at amortised cost less impairment provisions. An impairment provision is created where there is an objective indication that it will be difficult to recover all amounts due under the initial terms of the transaction. Any loss of value is taken to income.

B. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits held with banks, units in money-market funds and negotiable debt instruments that are readily convertible into known amounts of cash and are not subject to any material risk of change in value in the event of an change in interest rates. All these components are measured at fair value.

Interest income is recognised on a *pro rata temporis* basis using the effective interest-rate method.

D. NON-CURRENT FINANCIAL LIABILITIES

Non-current financial liabilities mainly include long-term borrowings and firm commitments to subscribe to private equity funds.

Borrowings are initially recognised at fair value, net of transaction costs. They are subsequently recognised at amortised cost. They are not discounted.

Commitments to subscribe to private equity funds are recorded under assets and liabilities at their nominal value without discounting, since discounting has no material impact.

E. DERIVATIVE INSTRUMENTS – HEDGING INSTRUMENTS

FFP has hedged the risk of interest-rate movements on part of its borrowings with interest-rate swaps.

The effective portion of the change in fair value of these swaps, which meet the criteria for cash flow hedging, is taken directly to equity. The gain or loss resulting from the ineffective portion is taken immediately to income for the year.

Changes in the fair value of financial instruments that do not qualify as hedges are taken to income.

To measure the fair value of hedging instruments, CVA-DVA impacts are deemed to be non-material and so are not recognised.

1.7 INVENTORIES

Inventories relate to the winemaking business of SCA Château Guiraud. They are carried at the lower of production cost and net realisable value. Production cost mainly includes harvesting costs, growing costs, depreciation and the cost of ageing and keeping the wine until it is bottled. It does not include borrowing costs.

Inventories were measured at estimated market value when Château Guiraud was acquired.

1.8 DEFERRED TAX

Deferred tax is recognised using the liability method and is based on the timing differences between the tax base of assets and liabilities and their carrying amounts.

Deferred tax is calculated using tax rates enacted at the end of the financial year and which are expected to be applied when the relevant tax asset is realised or the tax liability is settled.

Deferred tax assets are recognised only insofar as the Company is likely to make a taxable profit in future.

Deferred tax assets and liabilities are not discounted.

For companies accounted for under the equity method and companies subject to the tax regime covering parent companies and subsidiaries, a tax liability on dividend distributions is recognised to the extent of the timing differences, although differences are limited to 5.00% of expenses as required by the parent/subsidiary dividend tax regime.

1.9 PROVISIONS

In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, a provision is recognised when the Group has a present obligation towards a third party and it is probable that an outflow of resources will be required to settle the obligation, and no inflow of resources of an equivalent amount is expected. The amount of a provision is the best estimate of the outflow required to settle the obligation.

1.10 EMPLOYEE BENEFIT OBLIGATIONS

FFP's obligations in respect of employee benefits are as follows:

- a supplementary defined-contribution pension plan, under which the Company is under no obligation other than to pay contributions; there is also an old defined-benefit supplementary pension plan, the only beneficiaries of which are retired former employees;
- post-employment benefits, paid to employees still with the Company upon their retirement;
- bonuses related to long-service awards;
- Château Guiraud employees are entitled to post-employment benefits representing one-off payments made at the time of retirement;
- defined-benefit pension obligations and post-employment benefits are measured using the projected unit credit method.

The calculations mainly take into account:

- an assumed retirement age, which is generally 62 years but increased for people who, at the age of 62, do not have enough years of contributions to qualify for a full state pension;
- a discount rate;
- an inflation rate;
- assumptions regarding wage increases and staff turnover.

The full amount of obligations, without distinguishing actuarial gains and losses, is recognised under "Non-current liabilities" after deduction of the value of financial assets transferred to external funds. If those financial assets exceed the obligations, a receivable is recognised under "Other non-current assets".

1.11 BONUS SHARE PLANS

Bonus shares are granted to certain senior managers and employees of the Group.

In accordance with IFRS 2 “Share-Based Payment”, the fair value of the bonus shares granted to beneficiaries on the grant date is expensed with an offsetting entry under consolidated equity. This expense is spread over the vesting period.

1.12 TREASURY SHARES

Treasury shares are either intended to be cancelled, reserved to cover bonus share plans, or purchased under a liquidity agreement. They are recognised at cost as a deduction from equity.

The proceeds from selling treasury shares are taken directly to equity, and disposal gains and losses do not affect profit for the year.

1.13 REVENUE RECOGNITION

Income from the investment property mainly comprises rent, which is invoiced quarterly in advance and recognised in the corresponding quarter.

Dividends from investments in non-consolidated companies and Portfolio Investment Securities are recognised following the dividend payment decisions taken in the companies' General Meetings.

As regards the winemaking business, revenue is recognised when the wine is delivered. This principle also applies to “en primeur” sales: part of the wine made from grapes harvested in year N is offered to the market in year N+1. Pre-orders are not recognised as revenue and deposit payments are recognised as liabilities on the balance sheet under “Other liabilities”. Pre-ordered wine is delivered in year N+3, and the revenue is recognised at that point.

NOTE 2 SCOPE OF CONSOLIDATION

2.1 SCOPE OF CONSOLIDATION ON 31/12/2018

The scope of consolidation consists of:

	% control	% interest
Fully consolidated companies		
The parent company FFP:		
FFP INVEST	100.00%	100.00%
FFP Investment UK Ltd.	100.00%	100.00%
FFP US-1	100.00%	100.00%
FFP US-CC	100.00%	100.00%
FFP US-2	100.00%	100.00%
FFP US SRL Inc.	100.00%	100.00%
FFP Stovall Inc.	100.00%	100.00%
FFP-Les Grésillons	100.00%	100.00%
Financière Guiraud SAS	74.94%	74.94%
SCA Château Guiraud	100.00%	74.94%
Companies accounted for under the equity method:		
Zéphyr Investissement	-	46.67%
LDAP	-	45.00%
Redford USA II Holdings	-	29.94%
Redford EU II Holdings	-	29.94%
OPCI Lapillus II	-	23.26%
Groupe Compagnie Industrielle de Delle (CID)	-	25.27%
Groupe LISI	-	5.09%

2.2 CHANGES IN SCOPE AND OWNERSHIP PERCENTAGES

FFP STOVALL INC.

FFP Stovall Inc. was set up in early 2018 and is wholly owned by FFP INVEST. The company was created to hold new real-estate investments in the United States.

FINANCIÈRE GUIRAUD SAS

After the purchase of 410 shares in Financière Guiraud SAS, the ownership percentage rose from 74.49% in 2017 to 74.94% on 31 December 2018.

COMPAGNIE INDUSTRIELLE DE DELLE (CID)

After the purchase of 38 shares in Compagnie Industrielle de Delle, the ownership percentage rose slightly from 25.25% in 2017 to 25.27% on 31 December 2018.

NOTE 3 INCOME FROM LONG-TERM INVESTMENTS

(in thousands of euros)	31/12/2018	31/12/2017
Income		
Dividends	83,118	77,053
Disposal gains	5,227	153,844
Total	**88,345**	**230,897**
Expenses		
Disposal losses	(6,975)	(760)
Total	**(6,975)**	**(760)**
GROSS INCOME STATEMENT IMPACT	**81,370**	**230,137**
Remeasurement at fair value	72,486	-
INCOME STATEMENT IMPACT	**153,856**	**230,137**

After the adoption of IFRS 9 "Financial Instruments" from 1 January 2018:

- income from long-term investments now only includes income from disposals of Portfolio Investment Securities. Realised gains or losses on equity securities are now presented under consolidated comprehensive income. In 2017, disposal gains and losses mainly corresponded to the capital gains on HIT shares (€135,836 thousand), on Ipsos (€7,848 thousand) and on Holding Reinier (€3,177 thousand);
- changes in fair value of Portfolio Investment Securities, previously recognised under IAS 39 through consolidated comprehensive income, is now recognised in income from long-term investments.

5.1

NOTE 4 INCOME FROM INVESTMENT PROPERTIES

(in thousands of euros)	31/12/2018	31/12/2017
Income		
Rent and other revenue	1,328	1,321
Expenses invoiced to tenants	185	149
Total	**1,513**	**1,470**
Expenses		
Rental and building management expenses	(186)	(161)
Total	**(186)**	**(161)**
GROSS INCOME STATEMENT IMPACT	**1,327**	**1,309**
Remeasurement at fair value	1,000	(144)
INCOME STATEMENT IMPACT	**2,327**	**1,165**

NOTE 5 INCOME FROM OTHER ACTIVITIES

(in thousands of euros)	31/12/2018	31/12/2017
Income		
Sales of merchandise	4,700	4,313
Other revenue	1,167	239
Change in inventories	(412)	(837)
GROSS INCOME STATEMENT IMPACT	**5,455**	**3,715**
Additions to provisions	(1,747)	-
INCOME STATEMENT IMPACT	**3,708**	**3,715**

NOTE 6 GENERAL ADMINISTRATIVE EXPENSES

(in thousands of euros)	31/12/2018	31/12/2017
Administrative expenses		
Staff	(13,204)	(11,223)
External expenses	(8,949)	(11,204)
Other expenses	(898)	2,272
GROSS INCOME STATEMENT IMPACT	**(23,051)**	**(20,155)**
Depreciation and amortisation of non-current assets (excluding investment properties)	(438)	(355)
INCOME STATEMENT IMPACT	**(23,489)**	**(20,510)**

NOTE 7 IMPAIRMENT OF LONG-TERM INVESTMENTS

(in thousands of euros)	31/12/2018	31/12/2017
Portfolio Investment Securities	-	(4,446)
INCOME STATEMENT IMPACT	**-**	**(4,446)**

In accordance with IFRS 9, which has been applied since 01/01/2018, impairment is no longer recognised on financial assets measured at fair value. The impairment that was recognised under IAS 39 was reversed at the start of the period through consolidated reserves (see note 17.2).

NOTE 8 COST OF DEBT

(in thousands of euros)	31/12/2018	31/12/2017
Interest on FFP borrowings	(14,351)	(12,840)
Other	(238)	(223)
INCOME STATEMENT IMPACT	**(14,589)**	**(13,063)**

Cost of debt includes the impact of interest-rate hedges.

NOTE 9 SHARE IN THE PROFIT OR LOSS OF ASSOCIATES

(in thousands of euros)	31/12/2018	31/12/2017
Share in the profit or loss of associates		
Redford EU II Holdings	(39)	(18)
Redford USA II Holdings	(197)	(128)
Compagnie Industrielle de Delle (CID)	12,699	15,121
LISI	4,679	5,496
LDAP	1,319	(135)
OPCI Lapillus II	237	604
Zéphyr Investissement	–	(80)
GROSS INCOME STATEMENT IMPACT	**18,698**	**20,860**
LDAP impairment	(12,519)	–
INCOME STATEMENT IMPACT	**6,179**	**20,860**

NOTE 10 INCOME TAX

10.1 INCOME TAX EXPENSE

(in thousands of euros)	31/12/2018	31/12/2017
Current tax expense	(2,014)	(137)
Deferred tax	(11,444)	3,888
INCOME STATEMENT IMPACT	**(13,458)**	**3,751**

FFP and FFP INVEST have elected to adopt the tax consolidation regime since 1 January 2012.

10.2 RECONCILIATION BETWEEN THE STATUTORY TAX RATE IN FRANCE AND THE EFFECTIVE TAX RATE IN THE CONSOLIDATED FINANCIAL STATEMENTS

(percentage)	31/12/2018	31/12/2017
Statutory tax rate in France	(25.8)	(25.8)
Effect of companies accounted for under the equity method	1.1	2.4
Income taxable at reduced rates	20.7	23.8
Other permanent differences	(6.5)	1.3
Effective tax rate in the consolidated financial statements	**(10.5)**	**1.7**

The current tax expense corresponds to income tax payable to the French tax authorities in respect of the financial year. The basic rate of corporate income tax is 34.43% in France given the additional contribution. France's 2018 finance act reduced the tax rate in France to 25.825% from 2022, including the additional contribution.

Capital gains on the securities of mostly property-related companies are taxed at 19.00%. Deferred tax assets and liabilities have been calculated accordingly. Permanent differences arise mainly from unrealised capital gains in the securities portfolio.

NOTE 11 EARNINGS PER SHARE

Earnings per share are shown at the bottom of the consolidated income statement. They were calculated on the basis of all shares making up the share capital, i.e. 24,922,589 shares. There are no financial instruments giving eventual access to the capital.

NOTE 12 DETAILS OF OTHER COMPREHENSIVE INCOME

	31/12/2018			31/12/2017		
(in thousands of euros)	Before tax	Tax	After tax	Before tax	Tax	After tax
Impact of equity-accounted companies on comprehensive income	6,552	–	6,552	(5,963)	–	(5,963)
Remeasurement of equity securities	(262,578)	(1,556)	(264,134)	340,731	(17,366)	323,365
Capital gains on disposals of equity securities	239,867	(8,316)	231,551	–	–	–
Remeasurement of derivative instruments	(1,929)	498	(1,431)	4,949	(1,615)	3,334
Exchange differences	12,400	–	12,400	(13,603)	–	(13,603)
Other remeasurements taken directly to equity	11,744	(562)	11,182	(17,152)	1,531	(15,621)
Total	**6,056**	**(9,936)**	**(3,880)**	**308,962**	**(17,450)**	**291,512**

NOTE 13 IAS 39/IFRS 9 INCOME STATEMENT ADJUSTMENTS

In accordance with the arrangements for the first-time adoption of IFRS 9 from 1 January 2018, this new standard is applied retrospectively without any adjusted presentation of previous periods for comparison purposes. Nevertheless, the table below summarises all adjustments that result in an IFRS 9-compliant presentation of the consolidated income statement and the statement of comprehensive income for the year ended 31 December 2017. For comparison purposes, an identical presentation has been made on the basis of the financial statements for the year ended 31 December 2018.

Given the classification adopted for financial assets (see Notes 17.1 and 17.2), those adjustments relate to the capital gains realised on equity securities and recognised in equity under IFRS 9, and to the unrealised capital gains and losses on Portfolio Investment Securities, which are taken to profit or loss. Those reclassifications include the related current and deferred tax.

13.1 2017 CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	IAS 39 31/12/2017	Adjustments IFRS 9	IFRS 9 31/12/2017
Income from long-term investments	230,137	(90,669)	139,468
Income from investment properties	1,165	-	1,165
Income from other activities	3,715	-	3,715
Income from ordinary activities	**235,017**	**(90,669)**	**144,348**
General administrative expenses	(20,510)	-	(20,510)
Impairment of long-term investments	(4,446)	4,446	-
Cost of debt	(13,063)	-	(13,063)
Pre-tax profit from consolidated companies	**196,998**	**(86,223)**	**110,775**
Share in the net profit or loss of associates	20,860	-	20,860
Consolidated pre-tax profit	**217,858**	**(86,223)**	**131,635**
Income tax (including deferred tax)	3,751	(3,421)	330
CONSOLIDATED NET PROFIT	**221,609**	**(89,644)**	**131,965**
Of which attributable to equity holders of the parent	221,774	(89,644)	132,081
Of which attributable to non-controlling interests	(165)	-	(165)

13.2 ADJUSTMENTS IFRS 9

(in thousands of euros)	IAS 39 31/12/2017	Adjustments IFRS 9	IFRS 9 31/12/2017
Income from long-term investments		-	
Capital gains on disposals of equity securities		(146,862)	
Unrealised capital gains and losses on Portfolio Investment Securities		56,193	
		(90,669)	
Impairment of long-term investments			
Impairment of Portfolio Investment Securities		4,446	
Income tax			
Current tax on capital gains from disposals of equity securities		4,643	
Deferred tax on capital gains from disposals of equity securities		1,096	
Deferred tax on unrealised capital gains on Portfolio Investment Securities		(9,160)	
		(3,421)	

5.1

13.3 OTHER COMPREHENSIVE INCOME IN 2017

(in thousands of euros)	IAS 39 31/12/2017	Adjustments IFRS 9	IFRS 9 31/12/2017
Consolidated net profit	**221,609**	**(89,644)**	**131,965**
Impact of equity-accounted companies on comprehensive income	(5,963)	-	(5,963)
Net effect of remeasuring financial assets	323,365	89,644	413,009
Net effect of remeasuring derivative instruments	3,334	-	3,334
Exchange differences	(13,603)	-	(13,603)
Net effect of other remeasurements taken directly to equity	(15,621)	-	(15,621)
Total other comprehensive income	**291,512**	**89,644**	**381,156**
CONSOLIDATED COMPREHENSIVE INCOME	**513,121**	**-**	**513,121**
Of which attributable to equity holders of the parent	513,286	-	513,286
Of which attributable to non-controlling interests	(165)	-	(165)

13.4 2018 CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	IAS 39 31/12/2018	Adjustments IFRS 9	IFRS 9 31/12/2018
Income from long-term investments	321,237	(167,381)	153,856
Income from investment properties	2,327	–	2,327
Income from other activities	3,708	–	3,708
Income from ordinary activities	327,272	(167,381)	159,891
General administrative expenses	(23,489)	–	(23,489)
Cost of debt	(14,589)	–	(14,589)
Pre-tax profit from consolidated companies	289,194	(167,381)	121,813
Share in the net profit or loss of associates	6,179	–	6,179
Consolidated pre-tax profit	295,373	(167,381)	127,992
Income tax (including deferred tax)	(13,094)	(364)	(13,458)
CONSOLIDATED NET PROFIT	282,279	(167,745)	114,534
Of which attributable to equity holders of the parent	282,617	(167,745)	114,872
Of which attributable to non-controlling interests	(338)	–	(338)

13.5 IFRS 9 ADJUSTMENTS

Income from long-term investments	–
Capital gains on disposals of equity securities	(239,867)
Unrealised capital gains and losses on Portfolio Investment Securities	72,486
Income tax	
Current tax on capital gains from disposals of equity securities	4,776
Deferred tax on capital gains from disposals of equity securities	3,540
Deferred tax on unrealised capital gains on Portfolio Investment Securities	(8,680)
	(364)

13.6 OTHER COMPREHENSIVE INCOME IN 2018

(in thousands of euros)	IAS 39 31/12/2018	Adjustments IFRS 9	IFRS 9 31/12/2018
Consolidated net profit	282,279	(167,745)	114,534
Impact of equity-accounted companies on comprehensive income	6,552	–	6,552
Net effect of remeasuring financial assets	(200,328)	(63,806)	(264,134)
Capital gains on disposals of equity securities	–	231,551	231,551
Net effect of remeasuring derivative instruments	(1,431)	–	(1,431)
Exchange differences	12,400	–	12,400
Net effect of other remeasurements taken directly to equity	11,182	–	11,182
Total other comprehensive income	(171,625)	167,745	(3,880)
CONSOLIDATED COMPREHENSIVE INCOME	110,654	–	110,654
Of which attributable to equity holders of the parent	110,992	–	110,992
Of which attributable to non-controlling interests	(338)	–	(338)

NOTE 14 INTANGIBLE ASSETS

(in thousands of euros)	Carrying amount on 01/01/2018	Additions	Disposals	Net amortisation	Carrying amount on 31/12/2018
Intangible assets	42	2	–	(17)	27
Total	42	2	–	(17)	27

NOTE 15 PROPERTY, PLANT AND EQUIPMENT

15.1 CHANGES IN 2018, DEPRECIATION AND IMPACT OF FAIR VALUE MEASUREMENT

(in thousands of euros)	Land	Buildings	Investment properties	Vineyards	Other	Total
Gross value						
At beginning of period	**13,347**	**1,577**	**17,600**	**2,899**	**5,054**	**40,477**
Purchases/additions	–	1,433	–	90	638	2,161
Disposals	–	–	–	(86)	(1,104)	(1,190)
Fair value remeasurement	–	–	1,000	–	–	1,000
At end of period	**13,347**	**3,010**	**18,600**	**2,903**	**4,588**	**42,448**
Depreciation						
At beginning of period	**–**	**1,120**	**–**	**1,569**	**2,905**	**5,594**
Purchases/additions	–	93	–	57	271	421
Disposals	–	–	–	–	–	–
At end of period	**–**	**1,213**	**–**	**1,626**	**3,176**	**6,015**
Net amount at beginning of period	**13,347**	**457**	**17,600**	**1,330**	**2,149**	**34,883**
Net amount at end of period	13,347	1,797	18,600	1,277	1,412	36,433

The investment property was externally appraised in December 2018.

5.1

15.2 CHANGES IN 2017, DEPRECIATION AND IMPACT OF FAIR VALUE MEASUREMENT

(in thousands of euros)	Land	Buildings	Investment properties	Vineyards	Other	Total
Gross value						
At beginning of period	**13,347**	**1,577**	**17,500**	**2,698**	**3,865**	**38,987**
Purchases/additions	–	–	244	201	1,195	1,640
Disposals	–	–	–	–	(6)	(6)
Fair value remeasurement	–	–	(144)	–	–	(144)
At end of period	**13,347**	**1,577**	**17,600**	**2,899**	**5,054**	**40,477**
Depreciation						
At beginning of period	**–**	**1,080**	**–**	**1,508**	**2,665**	**5,253**
Purchases/additions	–	40	–	61	244	345
Disposals	–	–	–	–	(4)	(4)
At end of period	**–**	**1,120**	**–**	**1,569**	**2,905**	**5,594**
Net amount at beginning of period	13,347	497	17,500	1,190	1,200	33,734
Net amount at end of period	13,347	457	17,600	1,330	2,149	34,883

The investment property was externally appraised in December 2017.

NOTE 16 INVESTMENTS IN ASSOCIATES (ACCOUNTED FOR UNDER THE EQUITY METHOD)

16.1 POSITION ON 31/12/2018

Securities *(in thousands of euros)*	% control	Cost	Measurement on 31 December – Per unit (in euros)	Measurement on 31 December – Overall
Securities in associates (accounted for under the equity method)				
Redford USA II Holdings	29.94	2,432		2,998
Redford EU II Holdings	29.94	17,662		26,076
Compagnie Industrielle de Delle (CID)	25.27	7,129		132,519
LDAP	45.00	19,403		6,969
LISI	5.09	14,889		47,617
OPCI Lapillus II	23.26	10,000		11,471
Zephyr Investissement	46.67	28,191		30,017
TOTAL		**99,706**		**257,667**

16.2 CHANGES DURING 2018

Securities *(in thousands of euros)*	On 1 January 2018 – Number	On 1 January 2018 – Cost	Additions – Number	Additions – Cost
Securities in associates (accounted for under the equity method)				
Redford USA II Holdings	5,179	2,432		–
Redford EU II Holdings	18,807	17,662		–
Compagnie Industrielle de Delle (CID)	40,265	7,101	38	28
LDAP	19,767,645	19,403		–
LISI	2,750,000	14,889		–
OPCI Lapillus II	100,000	10,000		–
Zephyr Investissement	28,190,917	28,191		–
TOTAL		**99 678**		**28**

16.3 CHANGES DURING 2017

Securities *(in thousands of euros)*	On 1 January 2017 – Number	On 1 January 2017 – Cost	Additions – Number	Additions – Cost
Securities in associates (accounted for under the equity method)				
Redford USA II Holdings		–	5,179	2,432
Redford EU II Holdings		–	18,807	17,662
Compagnie Industrielle de Delle (CID)	40,265	7,101		–
LDAP	19,767,645	19,403		–
LISI	2,750,000	14,889		–
OPCI Lapillus II	100,000	10,000		–
Zephyr Investissement	14,190,917	14,191	14,000,000	14,000
Subscription commitments		14,000		–
TOTAL		**79,584**		**34,094**

Impairment taken to income	Impact of equity-accounted companies or fair value remeasurement taken to equity	Amount on the balance sheet 31/12/2018	Amount on the balance sheet 31/12/2017
–	566	2,998	2,846
–	8,414	26,076	16,105
–	125,390	132,519	125,870
(12,519)	85	6,969	16,701
–	32,728	47,617	45,305
–	1,471	11,471	11,294
–	1,826	30,017	30,019
(12,519)	**170,480**	**257,667**	**248,140**

Disposals		On 31 December 2018	
Number	Cost	Number	Cost
	–	5,179	2,432
	–	18,807	17,662
	–	40,303	7,129
	–	19,767,645	19,403
	–	2,750,000	14,889
	–	100,000	10,000
	–	28,190,917	28,191
	–		**99,706**

5.1

Disposals		On 31 December 2017	
Number	Cost	Number	Cost
	–	5,179	2,432
	–	18,807	17,662
	–	40,265	7,101
	–	19,767,645	19,403
	–	2,750,000	14,889
	–	100,000	10,000
	–	28,190,917	28,191
	(14,000)		–
	(14,000)		**99,678**

16.4 CONDENSED FINANCIAL INFORMATION RELATING TO ASSOCIATES

(in thousands of euros)	31/12/2018	31/12/2017
Redford EU II Holdings		
Total assets	87,095	53,870
Total current and non-current liabilities	–	(79)
Revenue	–	–
Net profit attributable to equity holders of the parent	(134)	(60)
Redford USA II Holdings		
Total assets	18,593	17,107
Total current and non-current liabilities	–	(15)
Revenue	–	–
Net profit attributable to equity holders of the parent	(673)	(399)
Compagnie Industrielle de Delle (CID)		
Total assets	1,880,517	1,841,160
Total current and non-current liabilities	922,221	929,725
Revenue	1,645,089	1,643,350
Net profit attributable to equity holders of the parent	50,257	59,897
LISI		
Share price on 31 December (in euros)	20,50	40,10
Total assets	1,865,775	1,827,319
Total current and non-current liabilities	922,141	929,654
Revenue	1,645,095	1,643,356
Net profit attributable to equity holders of the parent	92,069	107,965
OCPI Lapillus II		
Total assets	55,633	54,883
Total current and non-current liabilities	6,307	6,316
Revenue	834	2,433
Net profit attributable to equity holders of the parent	1,017	2,598
LDAP		
Total assets	114,568	109,813
Total current and non-current liabilities	71,261	72,699
Revenue	18,715	15,479
Net profit attributable to equity holders of the parent	2,999	(299)
Zephyr Investissement		
Total assets	64,364	64,361
Total current and non-current liabilities	39	31
Revenue	–	–
Net profit attributable to equity holders of the parent	(1)	(172)

16.5 CHANGES

Investments in associates *(in thousands of euros)*	31/12/2018	31/12/2017
Carrying amount on 1 January	248,140	222,067
Movements in cost price	28	20,094
Share in the profit or loss of associates	18,698	20,860
Other changes taken to equity	3,320	(14,881)
Impairment of associates	(12,519)	-
CARRYING AMOUNT ON 31 DECEMBER	**257,667**	**248,140**

NOTE 17 NON-CURRENT FINANCIAL ASSETS

17.1 RECLASSIFICATION OF FINANCIAL ASSETS UNDER IFRS 9

Following the adoption of IFRS 9 on 1 January 2018, financial assets previously classified as "available-for-sale securities" have been reclassified as "financial assets at fair value through other comprehensive income" for the portfolio of investments in non-consolidated companies, and as "financial assets at fair value through profit or loss" for Portfolio Investment Securities.

Securities *(in thousands of euros)*	Amount on the balance sheet 31/12/2017	IAS 39 classification		
		Available-for-sale securities	Financial assets at fair value through profit and loss	Financial assets measured at amortised cost
I – Investments in non-consolidated companies				
Peugeot SA	1,429,699	1,429,699	–	–
Zodiac Aerospace	376,841	376,841	–	–
SPIE	184,493	184,493	–	–
DKSH	278,291	278,291	–	–
SEB	389,449	389,449	–	–
ORPEA	374,656	374,656	–	–
Tikehau Capital	68,202	68,202	–	–
Immobilière Dassault	58,262	58,262	–	–
IDI	34,056	34,056	–	–
CIEL	19,985	19,985	–	–
Other securities	127,479	127,479	–	–
TOTAL	**3,341,413**	**3,341,413**	**–**	**–**
II – Portfolio Investment Securities				
Private equity funds				
Buyout funds	79,580	79,580	–	–
Expansion funds	51,862	51,862	–	–
Technology growth funds	14,811	14,811	–	–
Real-estate funds	6,683	6,683	–	–
Other funds	20,162	20,162	–	–
Subscription commitments	203,303	203,303	–	–
Total private equity funds	**376,401**	**376,401**	**–**	**–**
Co-Investments		–	–	–
Co-Investments	192,370	192,370	–	–
Subscription commitments	128,681	128,681	–	–
Total co-investissement	**321,051**	**321,051**	**–**	**–**
Other investments		–	–	–
Equities	47,758	47,758	–	–
Total other investments	**47,758**	**47,758**	**–**	**–**
TOTAL	**745,210**	**745,210**	**–**	**–**
III – Other non-current assets				
Other	12,071	–	–	12,071
TOTAL	**12,071**	**–**	**–**	**12,071**
GRAND TOTAL	**4,098,694**	**4,086,623**	**–**	**12,071**

IFRS 9 classification		
Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial assets measured at amortised cost
1,429,699	–	–
376,841	–	–
184,493	–	–
278,291	–	–
389,449	–	–
374,656	–	–
68,202	–	–
58,262	–	–
34,056	–	–
19,985	–	–
127,479	–	–
3,341,413	**–**	**–**
–	79,580	–
–	51,862	–
–	14,811	–
–	6,683	–
–	20,162	–
–	203,303	–
–	**376,401**	**–**
–	–	–
–	192,370	–
–	128,681	–
–	**321,051**	**–**
–	–	–
–	47,758	–
–	**47,758**	**–**
–	**745,210**	**–**
–	–	12,071
–	**–**	**12,071**
3,341,413	**745,210**	**12,071**

5.1

17.2 IFRS 9 RECLASSIFICATION OF IAS 39 IMPAIRMENT AND FAIR-VALUE MEASUREMENTS

Since the notion of impairment no longer exists for financial assets measured at fair value under IFRS 9, impairment provisions initially recognised under IAS 39 have been reversed through the consolidated reserves item: €97,191 thousand for investments in non-consolidated companies and €21,067 thousand for Portfolio Investment Securities. At the same time, valuation reserves have been reduced by the equivalent amounts.

As part of the adoption of IFRS 9, Portfolio Investment Securities are measured at fair value through profit or loss. As a result, €94,962 thousand of valuation reserves relating to these assets (net of deferred tax) has been reclassified under consolidated reserves.

Securities *(in thousands of euros)*	Cost	Prior impairment on remaining securities	Cost net of prior impairment	Measurement on 31 December 2017
I – Investments in non-consolidated companies				
Peugeot SA	899,753	–	899,753	1,429,699
Zodiac Aerospace	186,301	(51,235)	135,066	376,841
SPIE	200,680	–	200,680	184,493
DKSH	49,387	–	49,387	278,291
SEB	80,088	(25,976)	54,112	389,449
ORPEA	114,854	–	114,854	374,656
Tikehau Capital	66,214	–	66,214	68,202
Immobilière Dassault	26,949	(4,142)	22,807	58,262
IDI	25,714	(15,838)	9,876	34,056
CIEL	16,355	–	16,355	19,985
Other securities	109,584	–	109,584	127,479
TOTAL	**1,775,879**	**(97,191)**	**1,678,688**	**3,341,413**
II – Portfolio Investment Securities				
Private equity funds				
Buyout funds	61,845	(9,635)	52,210	79,580
Expansion funds	42,723	(3,827)	38,896	51,862
Technology growth funds	13,575	–	13,575	14,811
Real-estate funds	–	–	–	6,683
Other funds	17,684	(50)	17,634	20,162
Subscription commitments	203,303	–	203,303	203,303
Total private equity funds	**339,130**	**(13,512)**	**325,618**	**376,401**
Co-Investments				
Co-Investments	133,814	–	133,814	192,370
Subscription commitments	128,681	–	128,681	128,681
Total co-investissement	**262,495**	**-**	**262,495**	**321,051**
Other investments				
Equities	37,301	(7,555)	29,746	47,758
Total other investments	**37,301**	**(7,555)**	**29,746**	**47,758**
Deferred tax	–	–	–	–
TOTAL	**638,926**	**(21,067)**	**617,859**	**745,210**

Fair value impact on 2017 valuation reserves	Reversal of impairment through consolidated reserves	Cost	Measurement on 31 December 2017	Fair value impact on 2017 valuation reserves	Reclassification from valuation reserves to reserves at the start of the period	Reclassification from reserves to valuation reserves at the start of the period
529,946	–	899,753	1,429,699	529,946	–	–
241,775	51,235	186,301	376,841	190,540	–	(51,235)
(16,187)	–	200,680	184,493	(16,187)	–	–
228,904	–	49,387	278,291	228,904	–	–
335,337	25,976	80,088	389,449	309,361	–	(25,976)
259,802	–	114,854	374,656	259,802	–	–
1,988	–	66,214	68,202	1,988	–	–
35,455	4,142	26,949	58,262	31,313	–	(4,142)
24,180	15,838	25,714	34,056	8,342	–	(15,838)
3,630	–	16,355	19,985	3,630	–	–
17,895	–	109,584	127,479	17,895	–	–
1,662,725	**97,191**	**1,775,879**	**3,341,413**	**1,565,534**	**–**	**(97,191)**
27,370	9,635	61,845	79,580	–	(17,735)	(9,635)
12,966	3,827	42,723	51,862	–	(9,139)	(3,827)
1,236	–	13,575	14,811	–	(1,236)	–
6,683	–	–	6,683	–	(6,683)	–
2,528	50	17,684	20,162	–	(2,478)	(50)
–	–	203,303	203,303	–	–	–
50,783	**13,512**	**339,130**	**376,401**	**–**	**(37,271)**	**(13,512)**
58,556	–	133,814	192,370	–	(58,556)	–
–	–	128,681	128,681	–	–	–
58,556	**–**	**262,495**	**321,051**	**–**	**(58,556)**	**–**
18,012	7,555	37,301	47,758	–	(10,457)	(7,555)
18,012	**7,555**	**37,301**	**47,758**	**–**	**(10,457)**	**(7,555)**
–	–	–	–	–	11,322	–
127,351	**21,067**	**638,926**	**745,210**	**–**	**(94,962)**	**(21,067)**

17.3 POSITION ON 31/12/2018

(in thousands of euros)	% control	Cost	Measurement on 31 December	
			Per unit [1] (in euros)	Overall
I – Investments in non-consolidated companies				
Peugeot SA	9.32	899,752	18.65	1,572,205
Zodiac Aerospace		–		–
Safran	0.74	267,398	105.40	338,094
SPIE	5.46	200,680	11.59	98,515
DKSH	5.87	49,387	60.21	229,998
SEB	5.03	80,088	112.80	284,428
ORPEA	5.05	98,279	89.22	290,978
Tikehau Capital	3.00	66,214	19.65	61,055
Immobilière Dassault	19.77	28,520	52.60	68,612
IDI	10.06	25,714	39.80	28,901
CIEL	7.55	16,355	0.16	18,776
Other securities		136,222		180,000
TOTAL		**1,868,609**		**3,171,562**
II – Portfolio Investment Securities				
Private equity funds				
Buyout funds		96,150		124,673
Expansion funds		44,869		58,198
Technology growth funds		23,806		29,638
Real-estate funds		2,750		8,185
Other funds		14,785		18,685
Subscription commitments		280,604		280,604
Total private equity funds		**462,964**		**519,983**
Co-Investments				
Co-Investments		396,268		522,354
Subscription commitments		73,732		73,732
Total co-investments		**470,000**		**596,086**
Other investments				
Equities		18,610		16,866
Total other investments		**18,610**		**16,866**
TOTAL [2]		**951,574**		**1,132,935**
III – Other non-current assets				
Other		5,629		5,629
TOTAL		**5,629**		**5,629**
GRAND TOTAL		**2,825,812**		**4,310,126**

(1) Net of dividends receivable.
(2) Changes in the fair value of Portfolio Investment Securities are recorded under profit or loss in a positive amount of €72,486 thousand (see note 3).

Fair value revaluation taken to profit or loss	Impact of equity-accounted companies or fair value remeasurement taken to equity	Amount on the balance sheet 31/12/2018	Amount on the balance sheet 31/12/2017
–	672,453	1,572,205	1,429,699
–			376,841
–	70,696	338,094	–
–	(102,165)	98,515	184,493
–	180,611	229,998	278,291
–	204,340	284,428	389,449
–	192,699	290,978	374,656
–	(5,159)	61,055	68,202
–	40,092	68,612	58,262
–	3,187	28,901	34,056
–	2,421	18,776	19,985
–	43,778	180,000	127,479
–	**1,302,953**	**3,171,562**	**3,341,413**
28,523	–	124,673	79,580
13,329	–	58,198	51,862
5,832	–	29,638	14,811
5,435	–	8,185	6,683
3,900	–	18,685	20,162
–	–	280,604	203,303
57,019	**–**	**519,983**	**376,401**
126,086	–	522,354	192,370
–	–	73,732	128,681
126,086	**–**	**596,086**	**321,051**
(1,744)	–	16,866	47,758
(1,744)	**–**	**16,866**	**47,758**
181,361	**–**	**1,132,935**	**745,210**
–	–	5,629	12,071
–	**–**	**5,629**	**12,071**
181,361	**1,302,953**	**4,310,126**	**4,098,694**

5.1

17.4 CHANGES DURING 2018

	1 January 2018		Additions		Disposals		31 December 2018	
(in thousands of euros)	Number	Cost	Number	Cost	Number	Cost	Number	Cost
I – Investments in non-consolidated companies								
Peugeot SA	84,323,161	899,752		–		–	84,323,161	899,752
Zodiac	15,115,964	186,301		–	(15,115,964)	(186,301)		–
Safran		–	3,207,729	267,398		–	3,207,729	267,398
SPIE	8,500,000	200,680		–		–	8,500,000	200,680
DKSH	3,820,000	49,387		–		–	3,820,000	49,387
SEB	2,521,522	80,088		–		–	2,521,522	80,088
ORPEA	3,811,353	114,854		–	(550,000)	(16,575)	3,261,353	98,279
Tikehau Capital	3,107,147	66,214		–		–	3,107,147	66,214
Immobilière Dassault	1,266,555	26,949	37,862	1,571		–	1,304,417	28,520
IDI	726,146	25,714		–		–	726,146	25,714
CIEL	114,887,172	16,355		–		–	114,887,172	16,355
Other securities(1)		109,585		30,744		(4,107)		136,222
TOTAL		**1,775,879**		**299,713**		**(206,983)**		**1,868,609**
II – Portfolio Investment Securities (1)								
Private equity funds								
Buyout funds		61,845		50,094		(15,789)		96,150
Expansion funds		42,723		6,035		(3,889)		44,869
Technology growth funds		13,575		11,716		(1,485)		23,806
Real-estate funds		–		2,945		(195)		2,750
Other funds		17,684		1,890		(4,789)		14,785
Subscription commitments		203,303		150,010		(72,709)		280,604
Total private equity funds (1)		**339,130**		**222,690**		**(98,856)**		**462,964**
Co-Investments								
Co-Investments		133,814		263,194		(740)		396,268
Subscription commitments		128,681		195,490		(250,439)		73,732
Total co-investments (1)		**262,495**		**458,684**		**(251,179)**		**470,000**
Other investments								
Equities		37,301		–		(18,691)		18,610
Total other investments		**37,301**		**–**		**(18,691)**		**18,610**
TOTAL		**638,926**		**681,374**		**(368,726)**		**951,574**
III – Other non-current assets								
Miscellaneous		12,071		1,477		(7,919)		5,629
TOTAL		**12,071**		**1,477**		**(7,919)**		**5,629**
GRAND TOTAL		**2,426,876**		**982,564**		**(583,628)**		**2,825,812**

(1) Portfolio movements include exchange differences on foreign-currency investments.

17.5 CHANGES DURING 2017

(in thousands of euros)	1 January 2017 Number	1 January 2017 Cost	Additions Number	Additions Cost	Disposals Number	Disposals Cost	31 December 2017 Number	31 December 2017 Cost
I – Investments in non-consolidated companies								
Peugeot SA	84,323,161	899,753		–		–	84,323,161	899,753
Zodiac	14,996,135	183,899	119,829	2,402		–	15,115,964	186,301
SPIE		–	8,500,000	200,680		–	8,500,000	200,680
DKSH	3 820 000	49,387		–		–	3,820,000	49,387
SEB	2 521 522	80,088		–		–	2,521,522	80,088
ORPEA	3 811 353	114,854		–		–	3,811,353	114,854
Tikehau Capital		–	3,107,147	66,214		–	3,107,147	66,214
Immobilière Dassault	1 234 957	25,764	31,598	1,185		–	1,266,555	26,949
Ipsos	924 337	22,101		–	(924,337)	(22,101)		–
IDI	726 146	25,714		–		–	726,146	25,714
CIEL	114 887 172	16,355		–		–	114,887,172	16,355
Other securities [1]		268,459		38,908		(197,783)		109,584
TOTAL		**1,686,374**		**309,389**		**(219,884)**		**1,775,879**
II – Portfolio Investment Securities [1]								
Private equity funds								
Buyout funds		33,468		43,779		(15,402)		61,845
Expansion funds		42,237		7,197		(6,711)		42,723
Technology growth funds		9,298		5,024		(747)		13,575
Real-estate funds		3,716		235		(3,951)		–
Other funds		10,926		8,333		(1,575)		17,684
Subscription commitments		168,949		113,184		(78,830)		203,303
Total private equity funds [1]		**268,594**		**177,752**		**(107,216)**		**339,130**
Co-Investments								
Co-Investments		80,583		72,669		(19,438)		133,814
Subscription commitments		50,570		125,579		(47,468)		128,681
Total co-investments [1]		**131,153**		**198,248**		**(66,906)**		**262,495**
Other investments								
Equities		42,451		1,316		(6,466)		37,301
Other		8		–		(8)		–
Total other investments		**42,459**		**1,316**		**(6,474)**		**37,301**
TOTAL		**442,206**		**377,316**		**(180,596)**		**638,926**
III – Other non-current assets								
Miscellaneous		3,626		10,142		(1,697)		12,071
TOTAL		**3,626**		**10,142**		**(1,697)**		**12,071**
GRAND TOTAL		**2,132,206**		**696,847**		**(402,177)**		**2,426,876**

(1) Portfolio movements include exchange differences on foreign-currency investments.

17.6 CHANGES

INVESTMENTS IN NON-CONSOLIDATED COMPANIES

(in thousands of euros)	31/12/2018	31/12/2017
Carrying amount on 1 January	3,341,413	2,967,371
Reversal of fair value measurement on 1 January	(1,565,534)	(1,280,997)
Cost price on 1 January	1,775,879	1,686,374
Movements in cost price	92,730	89,505
Final cost price	1,868,609	1,775,879
Fair value measurement at the balance sheet date: cumulative impairment	–	(97,191)
Fair value measurement at the balance sheet date: unrealised gains or losses	1,302,953	1,662,725
Carrying amount on 31 December	**3,171,562**	**3,341,413**

PORTFOLIO INVESTMENT SECURITIES

(in thousands of euros)	31/12/2018	31/12/2017
Carrying amount on 1 January	745,210	485,239
Reversal of fair value measurement on 1 January	(106,284)	(43,030)
Cost price on 1 January	638,926	442,209
Movements in cost price	312,648	196,717
Final cost price	951,574	638,926
Fair value measurement at the balance sheet date: cumulative impairment	–	(21,067)
Fair value measurement at the balance sheet date: unrealised gains or losses	181,361	127,351
Carrying amount on 31 December	**1,132,935**	**745,210**

OTHER NON-CURRENT FINANCIAL ASSETS

(in thousands of euros)	31/12/2018	31/12/2017
Carrying amount on 1 January	12,071	3,626
Reversal of fair value measurement on 1 January	–	–
Cost price on 1 January	12,071	3,626
Movements in cost price	(6,442)	8,445
Final cost price	5,629	12,071
Fair value measurement at the balance sheet date: cumulative impairment	–	–
Fair value measurement at the balance sheet date: unrealised gains or losses	–	–
Carrying amount on 31 December	**5,629**	**12,071**

NOTE 18 TAX RECEIVABLE AND PAYABLE

18.1 CHANGES DURING 2018

(in thousands of euros)	Start of period	Goodwill	Profit/loss	Equity	Payments	End of period
Current tax liabilities	(5)	–	(2,064)	(4,645)	159	(6,555)
Current tax assets	4,063	–	50	(130)	(3,983)	–
Sub-total	4,058	–	(2,014)	(4,775)	(3,824)	(6,555)
Deferred tax assets	4,515	–	(2,442)	517	–	2,590
Deferred tax liabilities	(83,123)	–	(9,002)	(6,316)	–	(98,441)
Sub-total	(78,608)	–	(11,444)	(5,799)	–	(95,851)
TOTAL	(74,550)	–	(13,458)	(10,574)	(3,824)	(102,406)

18.2 CHANGES DURING 2017

(in thousands of euros)	Start of period	Goodwill	Profit/loss	Equity	Payments	End of period
Current tax liabilities	–	–	(74)	–	69	(5)
Current tax assets	2,021	–	(63)	–	2,105	4,063
Sub-total	2,021	–	(137)	–	2,174	4,058
Deferred tax assets	3,311	–	2,678	(1,474)	–	4,515
Deferred tax liabilities	(68,459)	–	1,210	(15,874)	–	(83,123)
Sub-total	(65,148)	–	3,888	(17,348)	–	(78,608)
TOTAL	(63,127)	–	3,751	(17,348)	2,174	(74,550)

5.1

NOTE 19 INVENTORIES

	31/12/2018			31/12/2017		
(in thousands of euros)	Gross	Provision	Net	Gross	Provision	Net
Wine	9,291	2,244	7,047	9,821	497	9,324
Miscellaneous	284	–	284	203	–	203
Total	9,575	2,244	7,331	10,024	497	9,527

NOTE 20 OTHER RECEIVABLES

	31/12/2018			31/12/2017		
(in thousands of euros)	Gross	Provision	Net	Gross	Provision	Net
Trade receivables	510	–	510	799	20	779
Government tax receivables (excluding	1,447	–	1,447	5,087	–	5,087
Other receivables	436	–	436	860	–	860
Total	2,393	–	2,393	6,746	20	6,726

NOTE 21 CASH AND CASH EQUIVALENTS

21.1 BREAKDOWN OF CASH AND CASH EQUIVALENTS

(in thousands of euros)	31/12/2018	31/12/2017
Cash	11,405	17,414
Total cash and cash equivalents	**11,405**	**17,414**

21.2 CHANGE IN CASH AND CASH EQUIVALENTS

(in thousands of euros)	31/12/2018	31/12/2017
Cash and cash equivalents at end of period	11,405	17,414
Cash and cash equivalents at beginning of period	17,414	6,374
Change in cash and cash equivalents	**(6,009)**	**11,040**

21.3 ANALYSIS OF THE CHANGE IN CASH AND CASH EQUIVALENTS

(in thousands of euros)	31/12/2018	31/12/2017
Carrying amount on 1 January	17,414	6,374
Reversal of fair value measurement on 1 January	–	–
Cost price on 1 January	17,414	6,374
Movements in cost price	(6,009)	11,040
Final cost price	11,405	17,414
Fair value measurement on 31 December	–	–
Carrying amount on 31 December	**11,405**	**17,414**

NOTE 22 EQUITY

22.1 EQUITY MANAGEMENT POLICY

The equity management policy relates to equity as defined under IFRS.

It is intended to safeguard the Group's long-term capital resources, in order to foster its development and allow it to implement an appropriate distribution policy.

Equity breaks down into portions attributable to non-controlling interests and to equity holders of the parent.

The portion attributable to non-controlling interests consists of the portion attributable to non-group shareholders of Financière Guiraud (SAS), which holds the investment in SCA Château Guiraud.

Equity attributable to equity holders of the parent comprises FFP's share capital plus reserves and retained earnings resulting from the Group's business activities.

The distribution policy implemented by FFP for many years and as far as possible, has been aimed at ensuring a consistent and rising dividend.

22.2 COMPOSITION OF THE SHARE CAPITAL

FFP's share capital consists of 24,922,589 shares with par value of €1 each. The shares are fully paid-up.

22.3 EQUITY

(in thousands of euros)	31/12/2018	31/12/2017
FFP share capital	24,923	25,073
FFP share premiums	158,410	158,410
FFP statutory reserve	2,541	2,541
Treasury shares	(16,725)	(29,445)
Exchange differences	522	(11,878)
Other reserves	3,285,099	3,142,399
Consolidated earnings	114,872	221,774
Non-controlling interests	(235)	107
Total	**3,569,407**	**3,508,981**

5.1

22.4 REMEASUREMENTS TAKEN DIRECTLY TO EQUITY AND RELATED DEFERRED TAX

(in thousands of euros)	31/12/2018	31/12/2017
Remeasurements recognised directly in equity at beginning of period	1,725,576	1,398,877
Decrease in remeasurements following disposals	(272,757)	(82,541)
Fair value remeasurements at end of period (net of tax)	-	3,955
Non-current financial assets	(208,137)	401,951
Interest-rate hedges	(1,431)	3,334
Remeasurements recognised directly in equity at end of period (A)	**1,243,251**	**1,725,576**
Deferred tax (B)	51,846	58,570
Total gross remeasurements at end of period (A+B)	1,295,097	1,784,146

22.5 BREAKDOWN OF REMEASUREMENTS BY TYPE

(in thousands of euros)	31/12/2018	31/12/2017
Equity securities	1,249,080	1,613,945
Portfolio Investment Securities	–	116,029
Interest-rate hedges	(5,829)	(4,398)
Total	**1,243,251**	**1,725,576**

22.6 TREASURY SHARES

On 31 December 2018, the Company held 187,083 of its own shares.

- 46,340 shares have been allocated to bonus share plans for 2016 and 2017 (Note 22.7);
- 130,143 shares are intended to cover future plans;
- 10,600 shares have been acquired under a liquidity agreement.

The shares held are recognised at cost and accounted for as a reduction in equity.

22.7 BONUS SHARE PLANS

PLAN DETAILS

On 7 July 2016, 9 March 2017 and 17 May 2018, in accordance with the authorisation given by the Shareholders' General Meetings in May 2016 and 2018, FFP's Board of Directors decided to set up bonus share plans subject to performance conditions for some employees and corporate officers of FFP and companies related to it. The free bonus performance shares will be vested to beneficiaries after a three-year period, and there will be no subsequent lock-up period. The grants are subject to beneficiaries being continually employed within the Group or related companies during the vesting period.

Vesting is subject to performance conditions regarding the increase in FFP's NAV:

- between 31 December 2015 and 31 December 2018 for the 2016 plan;
- between 31 December 2016 and 31 December 2019 for the 2017 plan;
- between 31 December 2017 and 31 December 2020 for the 2018 plan.

A. 2016 BONUS SHARE PLAN

The maximum number of FFP shares that may be granted under the plan is 17,277.

The personnel expense associated with this plan, measured in accordance with IFRS 2, was €473 thousand for 2018.

B. 2017 BONUS SHARE PLAN

The maximum number of FFP shares that may be granted under the plan is 29,063.

The personnel expense associated with this plan, measured in accordance with IFRS 2, was €973 thousand for 2018.

C. 2018 BONUS SHARE PLAN

The maximum number of FFP shares that may be granted under the plan is 31,940.

The personnel expense associated with this plan, measured in accordance with IFRS 2, was €730 thousand for 2018.

NOTE 23 CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

23.1 POSITION

(in thousands of euros)	31/12/2018	31/12/2017
Bonds [(1)]	242,500	242,500
Bank borrowings		
FFP	320,000	218,000
SCA Château GUIRAUD	7,561	7,704
Subscription commitments and shares not paid-up	357,186	342,656
Derivative instruments [(2)]	7,298	5,929
Miscellaneous	46	14
Total non-current financial liabilities	**934,591**	**816,803**
Bank borrowings		
FFP	5,000	-
SCA Château Guiraud	3,270	3,448
Derivative instruments [(2)]	560	-
Accrued interest on borrowings	3,204	3,321
Total current financial liabilities	**12,034**	**6,769**
TOTAL FINANCIAL LIABILITIES	**946,625**	**823,572**

(1) In 2017, FFP carried out two private placements of bonds (Euro PP). The first placement took place in June, consisting of €155,000 thousand of bonds maturing in July 2025 with an annual coupon of 2.50%. The second took place at the end of the year, consisting of €87,500 thousand of bonds breaking down as follows:
- a tap issue (bonds of the same type as the first tranche) in an amount of €57,500 thousand;
- a new tranche consisting of €10,000 thousand of 8-year bonds maturing in January 2026 with a coupon of 2.60%;
- a new tranche consisting of €20,000 thousand of 10-year bonds maturing in December 2027 with a coupon of 3.00%.

(2) FFP has hedged its credit facilities against interest-rate risk by taking out fixed-for-floating interest-rate swaps in an amount of €280,000 thousand. The fair value of these instruments on 31 December 2018 was €7,858 thousand.

Subscription commitments and shares not paid-up comprised US-dollar commitments of €139,103 thousand on 31 December 2018 and €235,972 thousand on 31 December 2017.

All other commitments are stated in euros.

23.2 MATURITY SCHEDULE ON 31/12/2018

Maturity (in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Bonds	–	–	242,500	242,500
Bank borrowings				
– FFP borrowings	5,000	320,000	–	325,000
– SCA Château Guiraud borrowings	3,270	659	6,902	10,831
Derivative instruments	560	1,953	5,345	7,858
Subscription commitments and shares not paid-up [(1)]	–	357,186	–	357,186
Accrued interest on borrowings and other	3,204	46	–	3,250
Total [(2)]	**12,034**	**679,844**	**254,747**	**946,625**

(1) Since calls are made by funds depending on their respective investments, and generally within 5 years from the subscription of units, their timing cannot be determined accurately, and so they have been included in the “between 1 and 5 years” category. These calls correspond to commitments at their nominal value, without any discounting effect.

(2) The portion due in less than 1 year breaks down as follows: €3,670 thousand in less than 3 months and €8364 thousand in between 3 and 12 months.

Credit facilities previously due to expire in 2018, in an amount of €50 million, have been renewed early and are now due to expire in 2021.

23.3 MATURITY SCHEDULE ON 31/12/2017

Maturity (in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Bonds	–	–	242 500	242,500
Bank borrowings				
– FFP borrowings	–	218,000	–	218,000
– SCA Château Guiraud borrowings	3,448	1,634	6,070	11,152
Derivative instruments	–	3,989	1,940	5,929
Subscription commitments and shares not paid-up [(1)]	–	342,656	–	342,656
Accrued interest on borrowings and other	3,321	14	–	3,335
Total [(2)]	**6,769**	**566,293**	**250,510**	**823,572**

(1) Since calls are made by funds depending on their respective investments, and generally within 5 years from the subscription of units, their timing cannot be determined accurately, and so they have been included in the “between 1 and 5 years” category. These calls correspond to commitments at their nominal value, without any discounting effect.
(2) The portion due in less than 1 year breaks down as follows: €5,905 thousand in less than 3 months and €864 thousand in between 3 and 12 months.

Credit facilities previously due to expire in 2019 and 2020, in an amount of €250 million, have been extended by a further year. They are now due to expire in 2020 and 2021.

23.4 SUBSCRIPTION COMMITMENTS AND SHARES NOT PAID-UP

(in thousands of euros)	31/12/2018	31/12/2017
Equity securities		
Unlisted securities	1,893	4,919
Portfolio Investment Securities		
Buyout funds	155,091	142,043
Expansion funds	20,319	23,517
Technology growth funds	84,088	34,624
Real-estate funds	16,619	4,542
Other funds	5,444	4,329
Co-Investments	73,732	128,681
Total	**357,186**	**342,655**

23.5 BORROWINGS ON 31/12/2018

	Outstanding amount on 31/12/2018			
(in thousands of euros)	Non-current	Current	Maturity	Interest rate
Bonds				
– FFP	212,500	–	2025	2.50%
	10,000	–	2026	2.60%
	20,000	–	2027	3.00%
Bank borrowings				
– FFP	–	5,000	2019	Floating rate
	98,000	–	2020	Floating rate
	100,000	–	2021	Floating rate
	20,000	–	2022	Floating rate
	102,000	–	2023	Floating rate
– SCA Château Guiraud				
. Borrowings	1,338	150	2019 to 2034	Fixed rate
	6,223	–	–	Floating rate
. Warrants and cash facilities	–	3,120	2019	Floating rate
Subscription commitments and shares not paid-up	357,186	–	–	–
Derivative instruments	7,298	560	–	–
Other	46	3,204	–	–
Total financial liabilities	**934,591**	**12,034**		

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23.6 BORROWINGS ON 31/12/2017

(in thousands of euros)	Outstanding amount on 31/12/2017 Non-current	Current	Maturity	Interest rate
Bonds				
– FFP	212,500	–	2025	2.50%
	10,000	–	2026	2.60%
	20,000	–	2027	3.00%
Bank borrowings				
– FFP	64,000	–	2018	Floating rate
	84,000	–	2019	Floating rate
	70,000	–	2020	Floating rate
– SCA Château Guiraud				
. Borrowings	1,004	244	2018 to 2032	Fixed rate
	6,700	156	2018 to 2028	Floating rate
. Warrants and cash facilities	–	3,048	2018	Floating rate
Subscription commitments and shares not paid-up	342,656	–	–	–
Derivative instruments	5,929	–	–	–
Other	14	3,321	–	–
Total financial liabilities	**816,803**	**6,769**		

NOTE 24 PROVISIONS

24.1 CHANGES DURING 2018

(in thousands of euros)	01/01/2018	Provisions for business combinations	Additions	Releases: Amounts used	Releases: Amounts unused	31/12/2018
Employee benefits	497	-	171	100	-	568
Other provisions for personnel	25	-	-	-	25	-
Total	522	-	171	100	25	568

24.2 CHANGES DURING 2017

(in thousands of euros)	01/01/2018	Provisions for business combinations	Additions	Releases: Amounts used	Releases: Amounts unused	31/12/2017
Employee benefits	550	-	207	260	-	497
Other provisions for personnel	-	-	25	-	-	25
Total	550	-	232	260	-	522

NOTE 25 PENSION OBLIGATIONS AND SIMILAR

25.1 FFP'S OBLIGATIONS

FFP employees are entitled to supplementary pension benefits payable to retirees, or post-employment benefits representing one-off payments made at the time of retirement. The employees concerned are as follows:

- supplementary pensions: 3 people, currently retired;
- post-employment benefits: 23 people.

The latest external assessment of pension obligations was carried out on 31 December 2018.

The assumptions used were as follows:

- discount rate: 1.55% (1.20% in 2017);
- inflation rate: 1.60%;
- rate of compensation increase: inflation + individual increases.

As regards supplementary pension benefits, the total value of the Company's obligations was €213 thousand on 31 December 2018. Those obligations were covered by €4 thousand of external funds, and the difference of €209 thousand is recognised under provisions on the liabilities side of the balance sheet.

Obligations relating to post-employment benefits amounted to €670 thousand on 31 December 2018. They were covered by €442 thousand of external funds and the €228 thousand difference is recognised under provisions on the liabilities side of the balance sheet.

25.2 SCA CHÂTEAU GUIRAUD'S OBLIGATIONS

SCA Château Guiraud employees are entitled to post-employment benefits representing one-off payments made at the time of retirement.

On 31 December 2018, 32 people were entitled to such benefits, As opposed to 36 people on 31 December 2017. Obligations were assessed on 31 December 2018.

Château Guiraud's total obligations came to €122 thousand on 31 December 2018, up from €222 thousand on 31 December 2017, and that figure is recognised as provisions on the liabilities side of the consolidated balance sheet.

No external payments have ever taken place to cover these obligations.

NOTE 26 OTHER CURRENT AND NON-CURRENT LIABILITIES

(in thousands of euros)	31/12/2018	31/12/2017
Customer advances due in more than 1 year	201	237
Total other non-current liabilities	**201**	**237**
Customer advances	760	1 024
Tax and social security liabilities (excluding income tax)	3,433	3,296
Other liabilities	1,982	3,244
Total other current liabilities	**6,175**	**7,564**
TOTAL OTHER LIABILITIES	**6,376**	**7,801**

NOTE 27 CHANGE IN WORKING CAPITAL REQUIREMENT

(in thousands of euros)	31/12/2018	31/12/2017
(Increase)/decrease in inventories	449	896
(Increase)/decrease in receivables	4,333	(5,224)
Change in tax	10,613	(2,037)
Increase/(decrease) in debt	(1,506)	4,467
Total change in working capital requirement	**13,889**	**(1,898)**

NOTE 28 FINANCIAL INSTRUMENTS

28.1 FINANCIAL INSTRUMENTS REPORTED IN THE 2018 BALANCE SHEET

	31/12/2018		Breakdown by type of instrument				
(in thousands of euros)	Carrying amount	Fair value	Fair value through profit and loss	Fair value through equity	Loans, receivables and payables at cost	Debt at amortised cost	Derivative instruments
Investments in non-consolidated companies	3,171,562	3,171,562	–	3,171,562	–	–	–
Portfolio Investment Securities	1,132,935	1,132,935	1,132,935	–	–	–	–
Other non-current financial assets	5,629	5,629	–	–	5,629	–	–
Other receivables	2,393	2,393	–	–	2,393	–	–
Cash and cash equivalents	11,405	11,405	11,405	–	–	–	–
Assets	**4,323,924**	**4,323,924**	**1,144,340**	**3,171,562**	**8,022**	**–**	**–**
Non-current financial liabilities	934,591	934,591	–	–	357,232	570,061	7,298
Other non-current liabilities	201	201	–	–	201	–	–
Current financial liabilities	12,034	12,034	–	–	–	11,474	560
Other current liabilities	6,175	6,175	–	–	6,175	–	–
Liabilities	**953,001**	**953,001**	**–**	**–**	**363,608**	**581,535**	**7,858**

28.2 FINANCIAL INSTRUMENTS REPORTED IN THE 2017 BALANCE SHEET

	31/12/2017		Breakdown by type of instrument				
(in thousands of euros)	Carrying amount	Fair value	Fair value through profit and loss	Fair value through equity	Loans, receivables and payables at cost	Debt at amortised cost	Derivative instruments
Investments in non-consolidated companies	3,341,413	3,341,413	–	3,341,413	–	–	–
Portfolio Investment Securities	745,210	745,210	–	745,210	–	–	–
Other non-current financial assets	12,071	12,071	–	–	12,071	–	–
Other receivables	6,726	6,726	–	–	6,726	–	–
Cash and cash equivalents	17,414	17,414	17,414	–	–	–	–
Assets	**4,122,834**	**4,122,834**	**17,414**	**4,086,623**	**18,797**	**–**	**–**
Non-current financial liabilities	816,803	816,803	–	–	342,670	468,204	5,929
Other non-current liabilities	237	237	–	–	237	–	–
Current financial liabilities	6,769	6,769	–	–	–	6,769	–
Other current liabilities	7,564	7,564	–	–	7,564	–	–
Liabilities	**831,373**	**831,373**	**–**	**–**	**350,471**	**474,973**	**5,929**

28.3 INCOME STATEMENT IMPACT OF FINANCIAL INSTRUMENTS IN 2018

	31/12/2018	Breakdown by type of instrument				
(in thousands of euros)	Income statement impact	Fair value through profit and loss	Fair value through equity	Loans, receivables and payables at cost	Debt at amortised cost	Derivative instruments
Dividends (excluding investments in consolidated companies)	83,118	1,953	81,165	–	–	–
Expense (cost of debt)	(14,589)	–	–	–	(14,589)	–
Remeasurement	72,486	72,486	–	–	–	–
Disposal gains or losses	(1,748)	(1,748)	–	–	–	–
Net gains (losses)	**139,267**	**72,691**	**81,165**	**–**	**(14,589)**	**–**

28.4 INCOME STATEMENT IMPACT OF FINANCIAL INSTRUMENTS IN 2017

	31/12/2017	Breakdown by type of instrument				
(in thousands of euros)	Income statement impact	Fair value through profit and loss	Fair value through equity	Loans, receivables and payables at cost	Debt at amortised cost	Derivative instruments
Dividends (excluding investments in consolidated companies)	77,053	–	77,053	–	–	–
Expense (cost of debt)	(13,063)	–	–	–	(13,063)	–
Impairment of financial assets	(4,446)	–	(4,446)	–	–	–
Remeasurement	–	–	–	–	–	–
Disposal gains or losses	153,084	–	153,084	–	–	–
Net gains (losses)	**212,628**	**–**	**225,691**	**–**	**(13,063)**	**–**

28.5 INFORMATION ON THE FAIR VALUE OF FINANCIAL INSTRUMENTS IN 2018

ASSETS *(in thousands of euros)*	Instruments recognised at fair value: Fair value through profit and loss	Fair value through equity	Derivative instruments
Level 1 fair value: quoted prices in active markets			
Investments in non-consolidated companies	–	2,991,562	–
Portfolio Investment Securities	16,866	–	–
Other non-current financial assets	–	–	–
Other receivables	–	–	–
Cash and cash equivalents	11,405	–	–
Level 2 fair value: based on data observable in the market	–	–	–
Investments in non-consolidated companies	–	–	–
Portfolio Investment Securities	–	–	–
Other non-current financial assets	–	–	–
Other receivables	–	–	–
Cash and cash equivalents	–	–	–
Level 3 fair value: based on data not observable in the market	–	–	–
Investments in non-consolidated companies	–	180,000	–
Portfolio Investment Securities	1,116,069	–	–
Other non-current financial assets	–	–	–
Other receivables	–	–	–
Cash and cash equivalents	–	–	–
Total financial assets recognised at fair value	**1,144,340**	**3,171,562**	**-**

LIABILITIES *(in thousands of euros)*	Instruments recognised at fair value: Fair value through equity	Derivative instruments
Level 1 fair value: quoted prices in active markets	–	–
Level 2 fair value: based on data observable in the market	–	–
Non-current financial liabilities	–	7,858
Level 3 fair value: based on data not observable in the market	–	–
Total financial liabilities recognised at fair value	**-**	**7,858**

RECONCILIATION OF LEVEL-3 MOVEMENTS	
Value on 1 January 2018	824,931
Purchases (+)	712,118
Disposals/Repayments (–)	(355,566)
Gains (losses) for the period recognised in profit and loss	86,044
Gains (losses) for the period recognised in equity	28,542
Transfer between level 3 and other levels	–
Value on 31 December 2018	**1,296,069**

List of investments:
Level 1: Peugeot SA, Safran, DKSH, SEB, ORPEA, SPIE, Tikehau Capital, Idi, Immobilière Dassault, CIEL, other equities and money-market UCITS.
Level 2: N/A
Niveau 3: IDI Emerging Markets, Tikehau Capital Advisors, real-estate funds, private equity funds, other equities.

28.6 INFORMATION ON THE FAIR VALUE OF FINANCIAL INSTRUMENTS IN 2017

ASSETS *(in thousands of euros)*	Instruments recognised at fair value: Fair value through profit and loss	Fair value through equity	Derivative instruments
Level 1 fair value: quoted prices in active markets			
Investments in non-consolidated companies	-	3,213,934	-
Portfolio Investment Securities	-	47,758	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	17,414	-	-
Level 2 fair value: based on data observable in the market	-	-	-
Investments in non-consolidated companies	-	-	-
Portfolio Investment Securities	-	-	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	-	-	-
Level 3 fair value: based on data not observable in the market	-	-	-
Investments in non-consolidated companies	-	127,479	-
Portfolio Investment Securities	-	697,452	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	-	-	-
Total financial assets recognised at fair value	**17,414**	**4,086,623**	**-**

LIABILITIES *(in thousands of euros)*	Instruments recognised at fair value: Fair value through equity	Derivative instruments
Level 1 fair value: quoted prices in active markets	-	-
Level 2 fair value: based on data observable in the market		
Non-current financial liabilities	-	5,929
Level 3 fair value: based on data not observable in the market	-	-
Total financial liabilities recognised at fair value	**-**	**5,929**

RECONCILIATION OF LEVEL-3 MOVEMENTS	
Value on 1 January 2017	803,841
Purchases (+)	416,224
Disposals/Repayments (-)	(495,305)
Gains (losses) for the period recognised in profit and loss	131,322
Gains (losses) for the period recognised in equity	(31,151)
Transfer between level 3 and other levels	-
Value on 31 December 2017	**824,931**

List of investments:
Niveau 1: Peugeot SA, Safran, DKSH, SEB, ORPEA, SPIE, Tikehau Capital, Idi, Immobilière Dassault, CIEL, other equities and money-market UCITS.
Niveau 2: N/A
Niveau 3: IDI Emerging Markets, Tikehau Capital Advisors, real-estate funds, private equity funds, other equities.

NOTE 29 MARKET RISK MANAGEMENT

Risks are managed by Executive Management, under the supervision of the Board of Directors, particularly with regard to new investments (Investments and Shareholdings Committee). Committees meetings taking place between two Board meetings have to present their discussions at the next Board meeting.

Executive Management is also responsible for managing interest-rate and exchange-rate risk. In each meeting of the Board of Directors, Executive Management presents the status of interest-rate and exchange-rate hedges.

29.1 EQUITY RISK MANAGEMENT

FFP's assets include a 9.32% stake in the PSA Group, along with minority but material stakes in other companies, both listed and unlisted.

FFP is always represented in the governing or supervisory bodies of its investee companies, and ensures that those companies are developing and are focused on creating value for shareholders.

In managing those assets, FFP also carries out regular monitoring of each investment's performance. Files are presented to the Investments and Shareholdings Committee and, as necessary, to the Board of Directors.

The prices of listed assets are monitored on a daily basis. The valuations of all assets in the portfolio are updated every month and published twice per year.

Regarding the Compagnie Industrielle de Delle (CID) and LISI groups and the Zéphyr Investissement, LDAP, Redford EU II and USA II and Lapillus II companies, which are accounted for under the equity method in FFP's consolidated financial statements (under "investments in associates"), FFP is exposed to changes in the earnings of each of these entities. The same applies to companies in which FFP owns a majority stake and which are fully consolidated.

Regarding private equity investments, although FFP has no formal powers, it holds regular meetings with those responsible for the companies and gives its opinion on decisions that they are planning to take.

Securities classified as non-current financial assets are measured at fair value (based on their share prices in the case of listed securities) and may be affected by stock market or economic movements.

INFORMATION BY ASSET TYPE AND GEOGRAPHICAL ZONE

Non-current, non-consolidated financial assets break down as follows (including subscription commitments):

(in thousands of euros)	31/12/2018	31/12/2017
Listed securities		
Equities - Europe	2,991,096	3,174,949
Unlisted securities		
Equities - Europe	87,509	159,002
Private equity - Europe	694,759	263,767
Private equity - Africa	165,227	238,221
Private equity - Americas	287,921	146,844
Private equity - Asia	83,182	115,340
Other non-current financial assets	432	571
Carrying amount on 31 December	**4,310,126**	**4,098,694**

5.1

PRICE SENSITIVITY

	31/12/2018			31/12/2017		
(in thousands of euros)	Carrying	Low amount	High amount	Carrying	Low amount	High amount
Non-current financial assets						
Investments in non-consolidated						
Listed securities	2,991,562	2,393,250	3,589,874	3,213,934	2,571,147	3,856,721
Unlisted securities	180,000	153,011	206,889	127,479	108,848	146,070
Portfolio Investment Securities	1,132,935	977,215	1,288,655	745,210	662,565	827,855
Other non-current financial assets	5,629	5,629	5,629	12,071	12,071	12,071
Total	**4,310,126**	**3,529,105**	**5,091,047**	**4,098,694**	**3,354,631**	**4,842,717**

For listed securities and Portfolio Investment Securities, sensitivity was calculated on the basis of a 20.00% change in share prices or reported fund NAV.

The sensitivity of unlisted equity securities was assessed for each individual investment based on specific valuation criteria:

- for companies valued on the basis of discounted cash flows, sensitivity was calculated on the basis of a 15.00% change;
- for companies valued by comparing multiples, sensitivity was calculated on the basis of a 20.00% change in peer-group multiples.

29.2 LIQUIDITY RISK MANAGEMENT

FFP has negotiated credit facilities with leading financial institutions to help finance its investments.

In 2017, FFP carried out two private placements of bonds (Euro PP) in a total amount of €242.5 million, with maturities of 2025 to 2027.

FFP manages liquidity risk by paying constant attention to the duration of its financing arrangements, the permanence of its available credit facilities and the diversification of its resources.

On 31 December 2018, the FFP group's credit facilities and borrowings amounted to €982.5 million, including €415 million of undrawn facilities. Undrawn facilities are due to expire as follows:

(in thousands of euros)		31/12/2018	N +1	N +2	N +3	N +4	N +5 and beyond
Bank borrowings	Nominal	415	15	122	100	30	148
Total		**415**	**15**	**122**	**100**	**30**	**148**

The table below shows undiscounted cash flows relating to financial liabilities and derivative instruments. Those flows include principal repayments as well as future contractual interest payments.

Foreign currency cash flows and variable cash flows are determined on the basis of period-end market data.

(in thousands of euros)		31/12/2018	N +1	N +2	N +3	N +4	N +5 and beyond	Total
Bonds	Nominal	242,500	-	-	-	-	242,500	242,500
	Interest	2,692	6,191	6,172	6,172	6,172	14,665	39,372
Bank borrowings	Nominal	335,831	8,269	98,153	100,156	20,158	109,095	335,831
	Interest	512	3,595	3,074	1,849	1,162	986	10,666
	Total	581,535	18,055	107,399	108,177	27,492	367,246	628,369
Subscription commitments and shares not paid-up (1)	Nominal	357,186	-	-	-	-	357,186	357,186
Derivative instruments		7,858	2,771	2,687	3,023	3,023	6,046	17,550
Other		46	-	-	-	46	-	46
Total		**946,625**	**20,826**	**110,086**	**111,200**	**30,561**	**730,478**	**1,003,151**

(1) Since calls are made by funds depending on their respective investments, and generally within 5 years from the subscription of shares, their timing cannot be determined accurately. As a result, the corresponding cash flows have been included in the "N+5 and beyond" category in the table above.

None of FFP's credit facilities are due to expire in 2018.

Borrowings due may fall early in the event of a failure to make a repayment or non-compliance with contractual obligations.

The main types of covenants related to debt borne directly by FFP are as follows:

1. Net debt (parent-company financial statements)/ equity (parent-company financial statements) <1;
2. Consolidated net debt/value of securities (a) <0.5.

(a) The value of securities is equal to FFP group's Gross Asset Value as determined in the Net Asset Value calculation.

These ratios are calculated exactly twice per year, and they are monitored regularly throughout the year.

On 31 December 2018, the ratios with the highest values (depending on the definitions used by the banks) were:

1. Net debt (parent-company financial statements) / equity (parent-company financial statements) = 0.45;
2. Consolidated net debt / value of securities = 0.13.

For the calculation on 31 December 2018, the equity figures used are before the appropriation of 2018 income.

FFP complied with all covenants at the end of 2018.

FFP is a long-term shareholder. Given its debt/asset value ratio, the Company does not foresee any particular difficulties in renewing its existing credit facilities before or on expiry.

In its ordinary cash management operations, FFP focuses on security when selecting investments.

It only invests in regular money-market UCITS and certificates of deposit issued by top-tier banks. When yields on short-term investments are negative, available cash is kept in liquid form.

29.3 INTEREST-RATE RISK MANAGEMENT

The interest-rate risk to which the FFP group is exposed arises from medium- and long-term floating-rate borrowings. To convert part of the its floating-rate debt to fixed-rate, FFP has set up interest-rate hedging in the form of swaps.

On 31 December 2018, €280,000 thousand of FFP's bank debt was covered by swaps fixing rates at between 0.309% and 0.87%.

The situations before and after hedging are as follows:

31/12/2018

(in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings				
Fixed rate	150	659	243,179	243,988
Floating rate	8,120	320,000	6,223	334,343
Total borrowings before hedging	**8,270**	**320,659**	**249,402**	**578,331**
Derivative financial instruments	70,000	110,000	100,000	280,000
Borrowings				
Fixed rate	70,150	110,659	343,179	523,988
Floating rate	(61,880)	210,000	(93,777)	54,343
Total borrowings after hedging	**8,270**	**320,659**	**249,402**	**578,331**

To measure the fair value of hedging instruments, CVA-DVA impacts are deemed to be non-material and so are not recognised.

Floating-rate debt is mainly linked to 3-month Euribor.

On 31 December 2018, 3-month Euribor was -0.309%, as opposed to -0.329% on 31 December 2017.

At 22 February 2019, 3-month Euribor was -0.310%.

On the basis of floating-rate borrowings after hedging on 31 December 2018, a 1-point increase in interest rates would have caused a €543 thousand increase in the annual interest expense.

The effective portion of the change in fair value of interest-rate hedges is taken to equity. There is no significant ineffective portion, and so there is no impact on profit or loss in respect of hedging.

31/12/2017

(in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings				
Fixed rate	244	434	243,070	243,748
Floating rate	3,204	219,200	5,500	227,904
Total borrowings before hedging	**3,448**	**219,634**	**248,570**	**471,652**
Derivative financial instruments	–	180,000	100,000	280,000
Borrowings				
Fixed rate	244	180,434	343,070	523,748
Floating rate	3,204	39,200	(94,500)	(52,096)
Total borrowings before hedging	**3,448**	**219,634**	**248,570**	**471,652**

29.4 EXCHANGE-RATE RISK MANAGEMENT

FFP's investee companies operate in various countries and thus generate some of their earnings in currencies other than the euro.

The FFP group also has equity securities denominated in CHF and MUR, and units in private equity funds denominated in USD.

The FFP group has companies accounted for under the equity method whose functional currency is the US dollar.

The breakdown of non-current financial assets by geographical zone is provided above in Note 29.1.

The FFP group does not hedge its foreign-currency assets.

(in thousands of euros)	USD	CHF	GBP	MUR
Carrying amounts on 31 December 2018				
Shares in companies accounted for under the equity method	36,043	-	-	-
Non-current financial assets	855,963	229,998	-	18,776
Cash and cash equivalents	3,388	13	329	-
Non-current financial liabilities				
Subscription commitments and shares not paid-up	(139,135)	-	-	-
Current debt	(37)	-	(533)	-
Net position before hedging	**756,222**	**230,011**	**(204)**	**18,776**
Derivative financial instruments	-	-	-	-
Net position after hedging	**756,222**	**230,011**	**(204)**	**18,776**

Given positions on 31 December 2018 and after hedging:

- if the USD rose 10.00% against the euro, FFP's reserves would rise by €75,622 thousand, with no material impact on profit or loss;
- if the CHF rose 10.00% against the euro, FFP's reserves would rise by €23,001 thousand, with no material impact on profit or loss;
- the GBP rose 10.00% against the euro, FFP's reserves would fall by €20 thousand, with no material impact on profit or loss;
- if the MUR rose 10.00% against the euro, FFP's reserves would rise by €1,878 thousand, with no material impact on profit or loss.

(in thousands of euros)	USD	CHF	GBP	MUR
Carrying amounts on 31 December 2017				
Shares in companies accounted for under the equity method	35,652	–	–	–
Non-current financial assets	536,611	288,267	–	19,985
Cash and cash equivalents	7,214	10	50	–
Non-current financial liabilities				
Subscription commitments and shares not paid-up	(223,686)	–	–	–
Current debt	–	–	–	–
Net position before hedging	**355,791**	**288,277**	**50**	**19,985**
Derivative financial instruments	–	–	–	–
Net position after hedging	**355,791**	**288,277**	**50**	**19,985**

Given positions on 31 December 2017 and after hedging:

- if the USD rose 10.00% against the euro, FFP's reserves would rise by €35,579 thousand, with no material impact on profit or loss;
- if the CHF rose 10.00% against the euro, FFP's reserves would rise by €28,828 thousand, with no material impact on profit or loss;
- if the GBP rose 10.00% against the euro, FFP's reserves would rise by €5 thousand, with no material impact on profit or loss;
- if the MUR rose 10.00% against the euro, FFP's reserves would rise by €1,999 thousand, with no material impact on profit or loss.

29.5 CREDIT RISK MANAGEMENT

The amount of receivables on the balance sheet is small and represents a very limited risk.

Short-term cash investments only comprise units in regular money-market UCITS and negotiable debt instruments issued by top-tier financial institutions. Investment products are selected with the aim of minimising the risk of impairment and counterparty risk.

NOTE 30 SEGMENT REPORTING

FFP is one of the three largest shareholders in Peugeot SA and is a long-term shareholder in other companies. Its business activities also involve financial investments and cash management, as well as real-estate and winemaking activities, which remain marginal in terms of their contribution to revenue, profits and risks. The information presented below is based on figures in each of FFP's business areas, with "Other segments" covering the real-estate and winemaking businesses. The "Reconciliation" column shows the unallocated amounts in each segment that allow segment figures to be reconciled with the financial statements.

30.1 2018 SEGMENT REPORTING

(in thousands of euros)	PSA Group	Investments	Net cash/(debt)	Other segments	Reconciliation	Total
Dividends	44,691	38,427	–	–	–	83,118
Net disposal gains	–	(1,748)	–	–	–	(1,748)
Unrealised gains and losses	–	72,486	–	1,000	–	73,486
Business revenue	–	–	–	5,035	–	5,035
Revenue	**44,691**	**109,165**	**-**	**6,035**	**-**	**159,891**
General administrative expenses	–	(1,263)	–	(4,700)	(17,526)	(23,489)
Cash management income	–	–	–	–	–	–
Cost of debt	–	–	(14,351)	(238)	–	(14,589)
Pre-tax profit from consolidated companies	**44,691**	**107,902**	**(14,351)**	**1,097**	**(17,526)**	**121,813**
Share in the profit or loss of associates	–	6,179	–	–	–	6,179
Consolidated pre-tax profit	**44,691**	**114,081**	**(14,351)**	**1,097**	**(17,526)**	**127,992**
Income tax	–	–	–	–	(13,458)	(13,458)
CONSOLIDATED NET PROFIT	**44,691**	**114,081**	**(14,351)**	**1,097**	**(30,984)**	**114,534**
Segment assets						
Intangible assets and property, plant and equipment	–	–	–	35,452	1,008	36,460
Investments in associates	–	257,667	–	–	–	257,667
Non-current financial assets	1,572,205	2,737,489	–	23	409	4,310,126
Deferred tax assets	–	415	2,029	31	115	2,590
Current assets	–	–	11,310	8,333	1,486	21,129
TOTAL ASSETS	**1,572,205**	**2,995,571**	**13,339**	**43,839**	**3,018**	**4,627,972**
Segment equity and liabilities						
Non-current financial liabilities	–	357,186	569,798	7,574	33	934,591
Current financial liabilities	–	–	8,711	3,323	–	12,034
Equity including non-controlling	–	–	–	–	3,569,407	3,569,407
Other liabilities	35,664	56,179	–	7,974	12,123	111,940
TOTAL EQUITY AND LIABILITIES	**35,664**	**413,365**	**578,509**	**18,871**	**3,581,563**	**4,627,972**
NET INVESTMENT	**-**	**132,775**	**-**	**584**	**389**	**133,748**

30.2 2017 SEGMENT REPORTING

(in thousands of euros)	PSA Group	Investments	Net cash/(debt)	Other segments	Reconciliation	Total
Dividends	40,475	36,578	-	-	-	77,053
Net disposal gains	-	153,084	-	-	-	153,084
Unrealised gains and losses	-	-	-	(144)	-	(144)
Business revenue	-		-	5,024	-	5,024
Revenue	**40,475**	**189,662**	**-**	**4,880**	**-**	**235,017**
General administrative expenses	-	(4,779)	-	(4,421)	(11,310)	(20,510)
Cash management income	-	-	-	-	-	-
Impairment of available-for-sale	-	(4,446)	-	-	-	(4,446)
Cost of debt	-	-	(12,840)	(223)	-	(13,063)
Pre-tax profit from consolidated companies	**40,475**	**180,437**	**(12,840)**	**236**	**(11,310)**	**196,998**
Share in the profit or loss of associates	-	20,860	-	-	-	20,860
Consolidated pre-tax profit	**40,475**	**201,297**	**(12,840)**	**236**	**(11,310)**	**217,858**
Income tax	-	-	-	-	3,751	3,751
CONSOLIDATED NET PROFIT	**40,475**	**201,297**	**(12,840)**	**236**	**(7,559)**	**221,609**
Segment assets						
Intangible assets and property, plant and equipment	-	-	-	34,146	779	34,925
Investments in associates	-	248,140	-	-	-	248,140
Non-current financial assets	1,429,699	2,668,424	-	23	548	4,098,694
Deferred tax assets	-	509	1,531	56	2,419	4,515
Current assets	-	-	16,768	11,487	9,475	37,730
TOTAL ASSETS	**1,429,699**	**2,917,073**	**18,299**	**45,712**	**13,221**	**4,424,004**
Segment equity and liabilities						
Non-current financial liabilities	47,000	342,656	419,429	7,718	-	816,803
Current financial liabilities	7	-	3,260	3,502	-	6,769
Equity including non-controlling interests	-	-	-	-	3,508,981	3,508,981
Other liabilities	31,249	46,172	-	8,369	5,661	91,451
TOTAL EQUITY AND LIABILITIES	**78,256**	**388,828**	**422,689**	**19,589**	**3,514,642**	**4,424,004**
NET INVESTMENT	**-**	**95,205**	**-**	**1,572**	**102**	**96,879**

NOTE 31 RELATED-PARTY TRANSACTIONS

31.1 ASSOCIATES

On 31 December 2018, the balance of the current-account advance granted by FFP to Redford USA II Holdings was €2,442 thousand, and the balance of that granted to OPCI Lapillus II was €1,444 thousand. Those advances bear interest at annual rates of 8.00% and 1.00% respectively.

31.2 RELATED PARTIES THAT HAVE SIGNIFICANT INFLUENCE OVER THE GROUP

No transactions are carried out with any directors or officers or any shareholder owning more than 5% of FFP's capital.

NOTE 32 EXECUTIVE COMPENSATION

(in thousands of euros)	31/12/2018	31/12/2017
Attendance fees paid to members of the Board of Directors	765	660
Compensation paid to directors and officers	1,385	1,442
Total	**2,150**	**2,102**

NOTE 33 OFF-BALANCE SHEET COMMITMENTS

(in thousands of euros)	31/12/2018	31/12/2017
Reciprocal commitments		
Undrawn credit facilities	415,000	519,000
Pre-orders of wine on an "en primeur" basis	1,326	1,261
Commitments given		
Collateral given for borrowings	49,319	50,319

Other commitments

On 31 December 2018:

- borrowings amounting to €7,000 thousand were secured by a first mortgage on real estate owned by SCA Château Guiraud;
- borrowings amounting to €2,700 thousand were secured by wine inventories.

NOTE 34 STATUTORY AUDITORS' FEES

	Mazars		SEC3	
(in thousands of euros)	2018	2017	2018	2017
Audit of the financial statements				
Issuer	48	47	48	47
Fully consolidated subsidiaries	19	16	31	17
Sub-total	**67**	**63**	**79**	**64**
	84%	*83%*	*81%*	*80%*
Services other than audit of the financial statements				
Issuer	10	10	10	10
of which – report on regulated agreements	1	1	1	1
– review of the management report	4	4	4	4
– review of the corporate governance report	5	5	5	5
Fully consolidated subsidiaries	3	3	9	6
of which – report on regulated agreements	1	1	3	2
– review of the management report	2	2	6	4
Sub-total	**13**	**13**	**19**	**16**
	16%	*17%*	*19%*	*20%*
TOTAL	**80**	**76**	**98**	**80**

NOTE 35 POST-BALANCE SHEET EVENTS

In February 2019, FFP sold all of its stake in DKSH for a total amount of CHF212 million (€187 million).

Financial year ended 31 December 2018

To the Shareholders,

OPINION

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we have audited the accompanying consolidated financial statements of FFP for the year ended 31 December 2018.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the assets and liabilities, and the results of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

The opinion formulated above is consistent with the content of our report to the Audit Committee.

BASIS OF OUR OPINION

AUDIT

We conducted our audit in accordance with professional standards applicable in France. We believe that the information that we collected provides a sufficient and appropriate basis for our opinion.

Our responsibilities under those standards are stated in the "Responsibilities of the statutory auditors in relation to auditing the consolidated financial statements" section of this report.

INDEPENDENCE

We conducted our audit in accordance with the independence rules applicable to us between 1 January 2018 and the date on which we issued our report, and in particular we did not provide any services forbidden by Article 5, paragraph 1 of Regulation (EU) No 537/2014 or by the code of conduct of the Statutory Auditors' profession in France.

OBSERVATION

Without prejudice to the opinion expressed above, we would draw your attention to Notes 1, 13 and 17 to the consolidated financial statements, which show the effects of presentational changes and of the adoption of IFRS 9 "Financial instruments" on the consolidated financial statements for the year ended 31 December 2018.

JUSTIFICATION OF OUR ASSESSMENTS – KEY POINTS OF THE AUDIT

As required by Articles L. 823-9 and 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key points of the audit, relating to what were, in our professional judgment, the main risks of material misstatement in relation to our audit of the year's consolidated financial statements, and our responses to those risks.

Those assessments were made in the context of our audit of the consolidated financial statements taken as a whole and in the formation of our opinion stated above. We express no opinion on items of the consolidated financial statements taken in isolation.

- Measurement of financial instruments classified as level 3 in the fair value hierarchy

Notes 17 and 28 to the consolidated financial statements.

RISK IDENTIFIED AND MAIN JUDGMENTS

As part of its investment activity, the FFP Group holds a large amount of financial instruments measured at fair value on its balance sheet. Most of those financial instruments are classified as financial assets at fair value through other comprehensive income and financial assets at fair value through profit and loss. On the balance sheet, those assets are recorded under "Investments in non-consolidated companies" and "Portfolio Investment Securities".

Fair value is determined in different ways depending on the type and complexity of the instruments: on the basis of prices quoted in an active market (instruments classified as "level 1" in the notes), on the basis of data that are observable in the market (instruments classified as "level 2" in the notes) and on the basis of data that are not observable in the market (instruments classified as "level 3" in the notes).

The techniques used by management to value level-3 instruments therefore rely significantly on judgment in terms of the choice of methods and parameters used. Those level-3 financial instruments represented assets of €1,296 million on 31 December 2018.

We took the view that the valuation of financial instruments classified as level-3 assets in the fair value hierarchy was a key point of the audit because they represented material exposures and because judgment was required to determine their fair value.

OUR AUDIT APPROACH

We familiarised ourselves with the internal control arrangements governing the valuation and recognition of financial instruments, including financial instruments classified as level-3 in the fair-value hierarchy.

For these financial assets, we back-tested previous valuations estimated by the group with respect to valuations obtained on the basis of net asset values, to obtain assurance about the reliability of the Group's process. In addition, we checked data used for the valuation on 31 December 2018 for a sample of financial assets, by obtaining:

- for Portfolio Investment Securities, either the latest net asset values reported by the asset management companies and changes between the date of the most recent NAV calculation and the accounts closing date, or valuation schedules prepared by the Group;
- for investments in non-consolidated and unlisted companies, the valuation schedules prepared by the Group.

We also assessed the process adopted by the Group to identify possible evidence of a fall in value, and we carried out a critical examination of the ways in which impairment tests are performed in accordance with the Group's accounting policies.

Finally, we examined the information relating to the valuation of financial instruments as published in the notes.

SPECIFIC VERIFICATIONS

We also carried out specific verifications, as required by statutory and regulatory texts, of information relating to the Group provided in the Board of Directors' management report, in accordance with professional standards applicable in France.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

INFORMATION RESULTING FROM OTHER STATUTORY AND REGULATORY OBLIGATIONS

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as Statutory Auditors of FFP by shareholders in the Shareholders' General Meeting of 9 June 2011 (Mazars) and of 7 June 2000 (SEC3).

On 31 December 2018, Mazars was in its eighth consecutive year as an auditor of FFP, and SEC3 in its nineteenth year.

RESPONSIBILITIES OF MANAGEMENT AND PERSONS INVOLVED IN CORPORATE GOVERNANCE IN RELATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for preparing consolidated financial statements that present a true and fair view, in accordance with IFRSs as endorsed by the European Union, and for setting up the internal controls it deems necessary for preparing consolidated financial statements that do not contain any material misstatements, whether due to fraud or error.

When preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, for presenting in those statements any necessary information relating to its status as a going concern, and for applying the accounting concept of going concern, except where there is a plan to liquidate the company or discontinue its operations.

The Audit Committee is responsible for monitoring the process of preparing the financial information and for monitoring the effectiveness of internal control and risk management systems, and internal audit systems as the case may be, as regards procedures relating to the preparation and treatment of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS IN RELATION TO AUDITING THE CONSOLIDATED FINANCIAL STATEMENTS

AUDIT OBJECTIVE AND PROCEDURE

Our responsibility is to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free of material misstatement. Reasonable assurance means a high level of assurance, although there is no guarantee that an audit conducted in accordance with professional standards will systematically detect all material misstatements. Misstatements may arise from fraud or error, and are regarded as material when they can reasonably be expected, individually or together, to influence the economic decisions that users of the financial statements take on the basis of those statements.

As stated by Article L. 823-10-1 of the French Commercial Code, our audit assignment does not involve guaranteeing the viability of your company or the quality of its management.

When conducting an audit in accordance with professional standards in France, statutory auditors use their professional judgment throughout the audit.

In addition:

- they identify and assess the risks that the consolidated financial statements contain material misstatements, whether through fraud or error, define and implement audit procedures to address those risks, and collect information that they regard as sufficient and appropriate as the basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, falsification, voluntary omissions, false statements or the circumvention of internal controls;
- auditors familiarise themselves with the internal controls relevant to the audit, in order to define audit procedures appropriate to the situation in hand, and not in order to express an opinion on the effectiveness of internal control;
- they assess the appropriateness of accounting policies adopted and the reasonableness of accounting estimates made by management, along with information about those estimates provided in the consolidated financial statements;
- they assess whether management has applied appropriately the going concern convention and, based on information collected, whether or not there is a material uncertainty arising from events or circumstances likely to call into question the company's ability to continue as a going concern. That assessment is based on information collected until the date of the auditors' report, although it should be borne in mind that subsequent circumstances or events may call into question the company's status as a going concern. If the auditors conclude that there is a material uncertainty, they draw the attention of those reading their report to information provided in the consolidated financial statements in relation to that uncertainty or, if that information is not provided or is not relevant, they certify the financial statements with reservations or refuse to certify them;
- they assess the overall presentation of the consolidated financial statements and assess whether the consolidated financial statements reflect the underlying operations and events so that they give a true and fair view;
- regarding financial information relating to persons or entities included in the scope of consolidation, they collect the information that they regard as sufficient and appropriate to express an opinion on the consolidated financial statements. The auditors are responsible for managing, supervising and conducting the audit of the consolidated financial statements and for the opinion expressed on those financial statements.

REPORTING TO THE FINANCE AND AUDIT COMMITTEE

We submit a report to the Finance and Audit Committee that includes the extent of audit and the schedule of work performed, along with the conclusions arising from our work. We also make it note, as the case may be, of any material internal control weaknesses that we have identified regarding procedures for preparing and treating accounting and financial information.

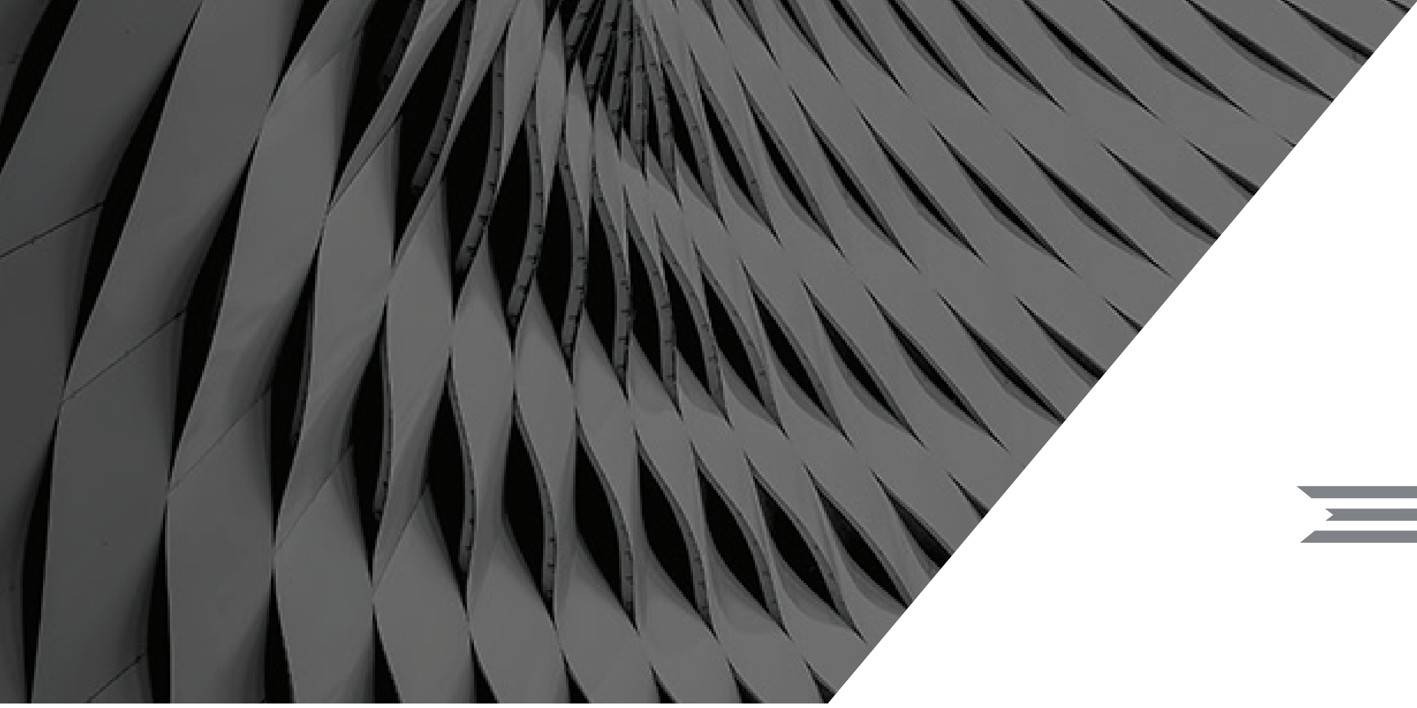
The information in the report to the Audit Committee includes what we regard as the main risks of material misstatements with respect to the audit of the year's consolidated financial statements, and which are therefore the key points of the audit. It is our role to describe those points in the present report.

We also provide the Finance and Audit Committee with the declaration provided for by Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France, as determined in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the code of conduct of the statutory audit profession in France. As the case may be, we discuss with the Audit Committee any risks to our independence and the safeguard measures applied.

Signed in Paris and Paris La Défense on 11 April 2019

The Statutory Auditors

MAZARS	SEC3
Virginie CHAUVIN	Philippe SPANDONIS



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INCOME STATEMENT

(in thousands of euros)	2018	2017
Revenue	5,006	3,870
Other recurring management revenue	–	10
Releases of provisions and expense transferss	–	260
Operating revenue	**5,006**	**4,140**
Other purchases and external expenses	(5,910)	(7,320)
Taxes other than income tax	(743)	(579)
Wages and salaries	(4,133)	(3,819)
Social security costs	(4,121)	(3,498)
Depreciation, amortisation and provisions	(328)	(329)
Other expenses	(765)	(660)
Operating expenses	**(16,000)**	**(16,205)**
OPERATING INCOME/(LOSS)	**(10,994)**	**(12,065)**
Income from shareholdings	50,171	44,180
Income from other securities and receivables classified as non-current assets	561	490
Releases of provisions and expense transfers	2,013	8,004
Net proceeds from disposals of Portfolio Investment Securities and other long-term investments	4,667	4,830
Financial income	**57,413**	**57,503**
Depreciation, amortisation and provisions	(2,963)	(275)
Interest and similar expenses	(11,744)	(8,710)
Negative exchange differences	(12)	(198)
Net expenses on disposals of Portfolio Investment Securities	(3,308)	(7,808)
Other financial expense	–	(5)
Financial expense	**(18,027)**	**(16,997)**
NET FINANCIAL INCOME/(EXPENSE)	**39,386**	**40,506**
RECURRING PRE-TAX PROFIT/(LOSS)	**28,392**	**28,441**
Non-recurring income from capital transactions	62	-
Other non-recurring income	53	2,980
Non-recurring income	**115**	**2,980**
Non-recurring expenses on capital transactions	(39)	-
Non-recurring expense	**(39)**	**-**
NET NON-RECURRING INCOME/(EXPENSE)	**76**	**2,980**
Income tax	4,282	159
NET PROFIT FOR THE PERIOD	**32,750**	**31,581**

BALANCE SHEET ON 31 DECEMBER 2018

ASSETS

(in thousands of euros)	Notes	31/12/2018 Gross	31/12/2018 Depreciation, amortisation and provisions	31/12/2018 Net	31/12/2017 Net
NON-CURRENT ASSETS					
Intangible assets					
Concessions, patents, software and similar items	8	78	(77)	1	-
Property, plant and equipment					
Other non-current assets	9	1 489	(495)	994	765
Long-term investments					
Equity securities	10	1,337,898	-	1,337,898	1,337,899
Receivables connected with shareholdings	10	470,630	-	470,630	355,562
Total shareholdings		**1,808,529**	**-**	**1,808,529**	**1,693,461**
Portfolio Investment Securities	11	35,003	(2,914)	32,089	49,948
Other long-term investments	11	1,355	(62)	1,293	814
Total long-term investments		**1,844,887**	**(2,976)**	**1,841,911**	**1,744,224**
TOTAL NON-CURRENT ASSETS		**1,846,454**	**(3,548)**	**1,842,907**	**1,744,989**
CURRENT ASSETS					
Receivables	12	10,596	-	10,596	8,767
Marketable securities	12/13	15,772	(709)	15,063	29,170
Cash	12	5,720	-	5,720	12,605
Total cash and cash equivalents		**5,720**	**-**	**5,720**	**12,605**
Prepaid expenses	12	122	-	122	222
TOTAL CURRENT ASSETS		**32,210**	**(709)**	**31,501**	**50,765**
TOTAL ASSETS		**1,878,664**	**(4,257)**	**1,874,407**	**1,795,754**

BALANCE SHEET ON 31 DECEMBER 2018

EQUITY AND LIABILITIES

(in thousands of euros)	Notes	31/12/2018	31/12/2017
EQUITY			
Share capital	14	24,923	25,073
Share premiums	14	158,410	158,410
Statutory reserve	14	2,541	2,541
Other reserves	14	1,070,755	1,099,223
Retained earnings	14	–	2,684
Profit for the period	14	**32,750**	**31,581**
TOTAL EQUITY		**1,289,379**	**1,319,512**
Contingency and loss provisions			
Provisions for pensions	15	446	275
Other provisions for charges	15	3,000	1,312
TOTAL PROVISIONS		**3,446**	**1,587**
LIABILITIES			
Bonds	16	245,192	245,210
Amounts owed to financial institutions	16	325,459	218,558
Tax and employment-related liabilities	16	9,419	2,722
Liabilities related to non-current assets and related accounts	16	959	5,752
Miscellaneous liabilities	16	554	2,413
TOTAL LIABILITIES		**581,582**	**474,655**
TOTAL EQUITY AND LIABILITIES		**1,874,407**	**1,795,754**

CASH FLOW STATEMENT

(in thousands of euros)	2018	2017
Net profit for the period	32,750	31,581
Net change in depreciation, amortisation and provisions	2,966	(6,348)
Net gains/(losses) on disposals of non-current assets	(1,382)	2,974
Funds from operations	34,334	28,207
Change in the working capital requirement	3,272	(1,078)
Net cash flow from operating activities	**37,606**	**27,129**
Purchases of property, plant and equipment	(387)	(54)
Purchases of other investments	(1,603)	(2,015)
Disposals of other investments	16,148	10,990
Net cash flow from investing activities	**14,158**	**8,921**
Dividends paid to shareholders	(49,485)	(45,128)
Net change in borrowings and other financial liabilities	107,000	132,500
Purchases of treasury shares	–	(29,170)
Net change in other financial assets	(115,809)	(86,356)
Net change in other financial liabilities	(355)	-
Net cash flow from financing activities	**(58,649)**	**(28,154)**
Change in cash and cash equivalents	(6,885)	7,896
Cash and cash equivalents at beginning of period	12,605	4,709
Cash and cash equivalents at end of period	5,720	12,605
Breakdown of cash and cash equivalents at end of period		
Cash	5,720	12,605
Total	**5,720**	**12,605**

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The following disclosures constitute the notes to the balance sheet on 31 December 2018 before appropriation of net profit for the year, which shows total assets of €1,874,407 thousand, and to the income statement for the year then ended, which shows a net profit of €32,750 thousand.

Figures are presented in thousands of euros, which may give rise to rounding differences in totals and cross-referencing differences between balance-sheet and income-statement items and figures in the notes.

The financial year lasts for 12 months, from 1 January to 31 December 2018.

Notes 1 to 23 below are an integral part of the financial statements.

These financial statements were approved by the Board of Directors on 15 March 2019.

KEY EVENTS IN THE PERIOD

In 2018, returns from private equity funds totalled €15,007 thousand.

Debt rose from €463,768 thousand on 31 December 2017 to €570,651 thousand on 31 December 2018 following investments made via the FFP INVEST and FFP Investment UK subsidiaries.

Pursuant to a decision by the Board of Directors on 11 December 2018, 150,000 of FFP's own shares with a net carrying amount of €13,398 thousand were cancelled.

After that cancellation, FFP's share capital now consists of 24,922,589 shares with par value of €1 each.

The net profit for the year of €32,750 thousand mainly comprised:

- €44,691 thousand of dividends from Peugeot SA and €5,479 thousand of interest from shareholder loans to subsidiaries;
- €14,351 thousand of interest expenses;
- €8,253 of net general administration expenses;
- tax income of €4,282 thousand resulting from the tax consolidation arrangement.

NOTE 1

ACCOUNTING POLICIES AND METHODS

General accounting principles intended to provide a true and fair view of the business were applied in accordance with the principle of prudence and the following basic assumptions:

- going concern;
- consistency of accounting policies from one period to the next;
- accrual basis;

and in accordance with general rules for preparing and presenting full-year financial statements (ANC regulation 2014-03).

The basic method used for the valuation of items recorded in the accounts is the historical cost method.

The main accounting policies used are set out below.

A. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

The rules for recognising intangible assets and property, plant and equipment, and the amortisation and depreciation of those assets, are consistent with the French General Accounting Plan.

They are recorded as assets at cost (purchase price plus incidental expenses). They have not undergone any remeasurement.

Depreciation and amortisation are calculated on a straight-line basis.

The main useful lives are as follows:

- Intangible assets:
  - software: 1 year.
- Property, plant and equipment:
  - computer equipment: 3 years;
  - fixtures and fittings: 10 years;
  - office furniture: 10 years.

B. LONG-TERM INVESTMENTS

This item comprises equity securities, Portfolio Investment Securities, other long-term investments and receivables related to shareholdings.

1. EQUITY SECURITIES

These include the securities of companies in which FFP's stake may be less than 10.00%, but which the Company believes should be held over the long term for reasons of control, strategy or financial management (long-term investment).

Their gross value is their purchase price excluding expenses, which are recognised in expenses for the year in accordance with the option available under the French general accounting plan (Article 213-8).

Measurement

Equity securities are measured at the lower or purchase price or current value.

Listed equity securities

The current value of securities held in listed companies is determined, after taking into account the economic and financial situation of the companies, on the basis of a multi-criteria analysis. The criteria adopted are as follows:

- changes in equity;
- changes in the dividend distribution policy;
- developments in the Company's economic situation (change in revenue, profits, financial position, etc.);
- future prospects;
- any material and prolonged decline in the share price.

If several of the aforementioned criteria are unfavourable, current value is generally determined on the basis of the average share price over a 1-year period.

The resulting value is also compared with valuations carried out by external financial analysts, or with Net Asset Value (NAV), particularly for companies that are primarily focused on real estate. Any significant difference with respect to the average share price is analysed and a view is taken on it.

An impairment provision is booked if the current value thus determined is lower than purchase cost.

Unlisted equity securities

The current value of securities in unlisted companies is determined as follows:

- assets that have been acquired recently, generally in the last year, are measured at their purchase price, except where the Company's economic and financial variables (operations, balance sheet, liquidity, etc.) have deteriorated materially;
- for other unlisted companies, FFP's interest is measured using the most appropriate method to give a true and fair view of the Company, depending on the type of investment:
  - either the discounted future cash flow method,
  - a method based on Net Asset Value, particularly for companies with a significant real-estate portfolio,
  - a method that refers to comparable recent transactions, provided that they were not forced and did not take place in abnormal market conditions; the method may also refer to the multiple on which FFP first invested in the company or the exit multiple that may be set out in the shareholder agreements signed by FFP,
  - otherwise and where the current value cannot be measured in a reliable and appropriate manner, the historic cost method is used, except where the Company's economic variables have deteriorated materially, in which case this is taken into account in the asset's valuation.

An impairment provision is booked if the current value thus determined is lower than purchase cost.

2. PORTFOLIO INVESTMENT SECURITIES

These are securities, listed or otherwise, that represent investments over varying timeframes, with the aim of generating a satisfactory return from them.

Their gross value is their purchase price excluding expenses, which are recognised in expenses for the year in accordance with the option available under the French General Accounting Plan (Article 213–8).

Measurement

Portfolio Investment Securities are measured at the lower of purchase price or current value.

Current value is determined as follows:

- securities of listed companies are valued at their closing price on the last stock market trading day of the year;
- securities in unlisted companies are valued using the same methods as unlisted equity securities (see above);
- investments in private equity funds and companies are valued at FFP's share of Net Asset Value as reported regularly by management companies, which generally follow the recommendations made by IPEV (International Private Equity and Venture Capital Valuation Board) when valuing their investments.

An impairment provision is booked if the current value as defined above is lower than gross value.

3. TREASURY SHARES

Through a financial service provider and in accordance with the provisions of Autorité des Marchés Financiers' regulations or accepted market practices, the Company implements a share buyback programme, which aims to ensure liquidity and consistent price quotes for its shares.

A total payment of €1,000 thousand has been made to the financial service provider for the management of the programme. That deposit and movements in treasury shares are recognised in long-term investments.

Impairment is recognised at the accounts closing date if current value falls below the cost price of the shares.

4. OTHER LONG-TERM INVESTMENTS

Other long-term investments are recognised at their nominal value. At the balance sheet date, accrued interest is recognised in accrued income.

An impairment provision is booked to cover any probable losses.

5. RECEIVABLES CONNECTED WITH SHAREHOLDINGS

Receivables connected with shareholdings on the balance sheet mainly comprise advances granted to subsidiaries and any accrued dividends.

C. RECEIVABLES

Receivables are recognised at nominal value. Impairment is recognised if current value falls below the carrying amount.

D. MARKETABLE SECURITIES

Treasury shares intended to cover bonus share plans are recognised as transferable securities at their purchase price or net carrying amount on the date the decision is taken to award them.

Treasury shares intended to cover future plans are recognised at purchase cost. An impairment provisions is recognised if their market value is less than their purchase cost.

When bonus shares to beneficiaries is likely to be awarded, a provision for personnel expenses is recognised under liabilities on the balance sheet. That provision is measured on the basis of the likely number of shares to be awarded to beneficiaries, and is charged on a straight-line basis over the vesting period of the award.

E. RETIREMENT BENEFIT OBLIGATIONS

Company employees are entitled to post-employment benefits and the Company grants supplementary pension benefits to certain beneficiaries under certain conditions.

The Company's obligations are measured by independent actuaries. They are recognised according to the CNC recommendation of 1 April 2003.

1. POST-EMPLOYMENT BENEFITS

Post-employment benefits are outsourced to an insurance company.

No payment was made with respect to 2018. Since the asset value of the funds was lower than the related liability, a contingency provision of €235 thousand was recognised under liabilities on 31 December 2018.

2. SUPPLEMENTARY PENSION PLAN

Since 30 June 2002, the defined-benefit pension plan has been replaced with a defined-contribution plan. The new plan relies on contributions by the Company and employee, based on the employee's remuneration. The Company's obligations with respect to rights acquired by employees before 30 June 2002 have been entirely outsourced to a life insurance company.

The obligations arising from the former defined-benefit plan and relating to the company's former employees were partly outsourced to an insurance company in 2004. The residual amount not covered stood at €203 thousand on 31 December 2018 and is recognised under contingency provisions.

F. BORROWINGS AND DEBT

FFP has negotiated credit facilities with credit institutions. Those facilities have a maturity of three to five years, and drawings are dependent on the Company's investments. Drawings are made for periods from one month up to one year and may be renewed depending on projected cash requirements.

In 2017, FFP issued fixed-rate bonds with maturities of 8 and 10 years. Debt issuance costs are fully expensed in the year in which the issue takes place.

Borrowings and debt are recognised at nominal value, including accrued interest at the balance sheet date.

G. FINANCIAL INSTRUMENTS

Gains and losses on the instruments used in hedging transactions are recognised in the same manner as income and expenses relating to the items hedged.

H. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are translated into euros on the exchange rate in force on the transaction date.

At the balance sheet date, foreign-currency receivables and cash are translated using the exchange rate on the final day of the accounting period. The difference compared with the carrying amount is taken to income for cash and to the asset or liabilities side of the balance sheet under "exchange differences" for debt and receivables.

In accordance with the French General Accounting Plan, an overall foreign exchange position is calculated by netting assets and liabilities arising from exchange differences on the translation of debt and receivables denominated in freely convertible foreign currencies and with maturities of less than one year. If there is any residual unrealised translation loss, a provision for translation losses is recognised under liabilities on the balance sheet.

I. INCOME TAX

On 1 January 2012, FFP opted for the tax consolidation regime for French subsidiaries in which it owns over 95.00%, in accordance with Article 223A of the French General Tax Code.

The tax effect recognised in respect of each financial year, through FFP's income statement, comprises:

- the net tax expense or tax benefit resulting from netting the taxable profits and losses of the companies in the tax group;
- total income corresponding to the sum of the tax due by profitable subsidiaries.

J. CHANGES IN MEASUREMENT METHOD

There were no changes in measurement method during the year.

NOTE 2 SUMMARY OF MANAGEMENT ANALYSIS RESULTS BY BUSINESS SEGMENT

(in thousands of euros)	Notes	2018	2017
Equity securities	3	50,194	44,147
Portfolio Investment Securities and other long-term investments	4	878	4,733
Profit or loss from financing and debt operations	5	(14,351)	(12,840)
General administrative expenses	6	(8,253)	(4,618)
Gross pre-tax profit		**28,468**	**31,422**
Income tax	7	4,282	159
NET PROFIT		**32,750**	**31,581**

NOTE 3 PROFIT OR LOSS FROM EQUITY SECURITIES

(in thousands of euros)	2018	2017
Dividends		
Peugeot SA	44,691	40,475
Zodiac Aerospace	–	1
Safran	1	–
	44,692	**40,476**
Interest on current-account advances	5,479	3,704
Disposal gains	23	–
Total income	**50,194**	**44,180**
Fees	–	(33)
Total expenses	**–**	**(33)**
Gross profit	**50,194**	**44,147**
Additions to provisions (-)	–	–
Releases from provisions (+)	–	–
PROFIT	**50,194**	**44,147**

5.2

NOTE 4 PROFIT OR LOSS ON PORTFOLIO INVESTMENT SECURITIES AND OTHER LONG-TERM INVESTMENTS

(in thousands of euros)	2018	2017
Dividends	561	490
Disposal gains	4,667	4,830
Total income	5,228	5,320
Disposal losses	(3,308)	(7,804)
Fees	(93)	(336)
Securities transaction fees	–	(175)
Total expenses	(3,401)	(8,315)
GROSS PROFIT	1,827	(2,995)
Additions to provisions (-)	(2,963)	(275)
releases from provisions (+)	2,013	8,004
PROFIT	878	4,733

NOTE 5 PROFIT OR LOSS FROM FINANCING AND DEBT OPERATIONS

(in thousands of euros)	2018	2017
Borrowings		
Interest expense	(11,744)	(8,709)
Commissions	(2,609)	(3,841)
Fees	2	(89)
Marketable securities		
Disposal losses	–	(4)
Foreign exchange losses	–	(198)
Total expenses	(14,351)	(12,840)
GROSS PROFIT	(14,351)	(12,840)
Additions to provisions (-)	–	–
Releases from provisions (+)	–	–
PROFIT	(14,351)	(12,840)

NOTE 6 GENERAL ADMINISTRATION INCOME/EXPENSE

(in thousands of euros)	2018	2017
Services	4,872	3,870
Rent	134	–
Other revenue	53	2,980
Total income	**5,058**	**6,850**
Personnel	(9,110)	(7,864)
Other external expenses	(3,222)	(2,843)
Taxes other than income tax	(57)	28
Directors' fees	(765)	(660)
Depreciation and amortisation	(157)	(130)
Total expenses	**(13,311)**	**(11,468)**
INCOME/(EXPENSE)	**(8,253)**	**(4,618)**

NOTE 7 INCOME TAX

(in thousands of euros)	2018	2017
Subsidiaries' tax	10,951	278
Tax due with respect to the financial year	(6,669)	–
Tax with respect to previous years	–	(119)
INCOME/(EXPENSE)	**4,282**	**159**

NOTE 8 INTANGIBLE ASSETS

Intangible assets consist of accounting software licences with a gross value of €78 thousand, amortised in a total amount of €76.8 thousand on 31 December 2018.

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

9.1 POSITION ON 31 DECEMBER 2018

(in thousands of euros)	Cost	Depreciation	Net carrying amount	Previous period
General installations, fixtures and fittings	671	(180)	491	333
Office and computer equipment	162	(107)	55	30
Furniture	657	(208)	449	402
TOTAL PROPERTY, PLANT AND EQUIPMENT	**1,489**	**(495)**	**994**	**765**

9.2 CHANGES DURING THE PERIOD

(in thousands of euros)	Gross value at beginning of period	Increases	Decreases	Gross value at end of period
General installations, fixtures and fittings	452	219	-	671
Office and computer equipment	105	57	-	162
Furniture	547	109	-	657
TOTAL PROPERTY, PLANT AND EQUIPMENT	**1,104**	**385**	**-**	**1,489**

9.3 DEPRECIATION

(in thousands of euros)	Amount at beginning of period	Additions	Releases	Amount at end of period
General installations, fixtures and fittings	118	62	-	180
Office and computer equipment	75	32	-	107
Furniture	145	63	-	208
TOTAL DEPRECIATION	**339**	**157**	**-**	**495**

NOTE 10 SHAREHOLDINGS AND RECEIVABLES CONNECTED WITH SHAREHOLDINGS

10.1 POSITION ON 31 DECEMBER 2018

(in thousands of euros)	Number	% control	Cost Per unit	Cost Global	Closing value of securities written down	Unrealised impairment provisioned	Net carrying amount	Previous period
Listed securities								
Peugeot SA	84,323,161	9.32	5.00	421,365	-	-	421,365	421,365
Safran	468		83.33	39	-	-	39	-
Zodiac Aerospace				-	-	-	-	39
Unlisted securities								
FFP INVEST	54,101,074	100.00	16.94	916,494	-	-	916,494	916,494
FFP Investment UK	1		0.95	-	-	-	-	-
Total equity securities				**1,337,898**	**-**	**-**	**1,337,898**	**1,337,899**
FFP INVEST				470,630	-	-	470,630	355,562
Total receivables connected with shareholdings				**470,630**	**-**	**-**	**470,630**	**355,562**
TOTAL SHAREHOLDINGS				**1,808,529**	**-**	**-**	**1,808,529**	**1,693,461**

10.2 CHANGES DURING THE PERIOD

(in thousands of euros)	At beginning of period Number	At beginning of period Gross value	Additions Number	Additions Gross value	Disposals Number	Disposals Gross value	At end of period Number	At end of period Gross value
Listed securities								
Peugeot SA	84,323,161	421,365		-		-	84,323,161	421,365
Safran		-	468	39		-	468	39
Zodiac Aerospace	2,500	39		-	(2,500)	(39)		-
Unlisted securities								
FFP INVEST	54,101,074	916,494		-		-	54,101,074	916,494
FFP Investment UK	1	-		-		-	1	-
Total equity securities		**1,337,899**		**39**		**(39)**		**1,337,898**
FFP INVEST		355,562		115,068		-		470,630
Total receivables connected with shareholdings		**355,562**		**115,068**		**-**		**470,630**
TOTAL SHAREHOLDINGS		**1,693,461**		**115,107**		**(39)**		**1,808,529**

NOTE 11 PORTFOLIO INVESTMENT SECURITIES AND OTHER LONG-TERM INVESTMENTS

11.1 POSITION ON 31 DECEMBER 2018

(in thousands of euros)	Cost	Closing value	Unrealised impairment provisioned	Net carrying amount	Previous period
Buyout funds	1,100	15,184	–	1,100	15,022
Expansion funds	15,233	23,833	(1,134)	14,099	15,367
Real-estate funds	–	3,390	–	–	–
Other funds	61	24	(36)	24	23
Total private equity funds	**16,393**	**42,431**	**(1,170)**	**15,224**	**30,412**
Other	18,610	16,866	(1,744)	16,866	19,536
Total other investments	**18,610**	**16,866**	**(1,744)**	**16,866**	**19,536**
Total Portfolio Investment Securities	**35,003**	**59,297**	**(2,914)**	**32,089**	**49,948**
Treasury shares	–	–	–	–	–
Security deposit	402	402	–	402	540
Liquidity agreement (note 13)	953	891	(62)	891	274
Total other long-term investments	**1,355**	**1,293**	**(62)**	**1,293**	**814**
TOTAL	**36,358**	**6,590**	**(2,976)**	**33,382**	**50,763**

11.2 CHANGES DURING THE PERIOD

(in thousands of euros)	Gross value at beginning of period	Increases	Decreases	Gross value at end of period
Buyout funds	15,022	964	(14,886)	1,100
Expansion funds	18,057	639	(3,463)	15,233
Real-estate funds	–	–	–	–
Other funds	69	–	(8)	61
Total private equity funds	**33,148**	**1,603**	**(18,357)**	**16,393**
Other	19,536	–	(926)	18,610
Total other investments	**19,536**	**–**	**(926)**	**18,610**
Total Portfolio Investment Securities	**52,684**	**1,603**	**(19,283)**	**35,003**
Treasury shares (1)	–	13,398	(13,398)	–
Security deposit	540	–	(138)	402
Liquidity agreement (note 13)	274	10,951	(10,272)	953
Total other long-term investments	**814**	**10,951**	**(10,410)**	**1,355**
TOTAL	**53,498**	**12,553**	**(29,693)**	**36,358**

(1) Pursuant to a decision by the Board of Directors on 11 December 2018, 150,000 of FFP's own shares were cancelled (see Notes 13 and 14).

11.3 ESTIMATED VALUES OF PORTFOLIO INVESTMENT SECURITIES AND OTHER LONG-TERM INVESTMENTS

	Amounts at beginning of period			Amounts at end of period		
	Carrying amount		Estimated value	Carrying amount		Estimated value
Composition of the portfolio *(in thousands of euros)*	Gross	Net		Gross	Net	
Buyout funds	15,022	15,022	27,686	1,100	1,100	15,184
Expansion funds	18,057	15,367	25,265	15,233	14,099	23,833
Real-estate funds	–	–	3,833	–	–	3,390
Other funds	69	23	23	61	24	24
Total private equity funds	**33,148**	**30,412**	**56,807**	**16,393**	**15,224**	**42,431**
Other	19,536	19,536	34,357	18,610	16,866	16,866
Total other investments	**19,536**	**19,536**	**34,357**	**18,610**	**16,866**	**16,866**
Total Portfolio Investment Securities	**52,684**	**49,948**	**91,164**	**35,003**	**32,089**	**59,297**
Security deposit	540	540	540	402	402	402
Liquidity agreement (note 13)	274	274	281	953	891	891
Total other long-term investments	**814**	**814**	**821**	**1,355**	**1,293**	**1,293**
TOTAL	**53,498**	**50,763**	**91,985**	**36,358**	**33,382**	**60,590**

NOTE 12 CURRENT ASSETS

	Period			
(in thousands of euros)	Gross	Impairment provisions	Net	Previous period
Receivables				
Government – Income tax	–	–	–	3,983
Government – Other	50	–	50	4,476
Short-term income tax receivables from subsidiaries	10,523	–	10,523	–
Other receivables	22	–	22	308
	10,596	**–**	**10,596**	**8,767**
Marketable securities				
Treasury shares	15,772	(709)	15,063	29,170
Cash				
Banks	5,720	–	5,720	12,605
	5,720	**–**	**5,720**	**12,605**
Prepaid expenses	122	–	122	222
TOTAL	**32,210**	**(709)**	**31,501**	**50,765**

5.2

NOTE 13 TREASURY SHARES

At the accounts closing date, the Company held 187,083 treasury shares with a gross value of €16,725 thousand, which broke down between the following two categories according to their intended use:

(in thousands of euros)	Number of shares	Gross value	Impairment	Net value	Previous period
"Other investment securities" (note 11)					
Securities allocated to the liquidity	10,600	953	(62)	891	274
"Marketable securities" (note 12)					
Shares intended to cover future plans	130,143	11,648	(709)	10,939	25,046
Shares reserved to cover bonus share plans	46,340	4,124	-	4,124	4,124
	176,483	**15,772**	**(709)**	**15,063**	**29,170**
TOTAL AT END OF PERIOD	**187,083**	**16,725**	**(771)**	**15,954**	**29,444**

Pursuant to a decision by the Board of Directors on 11 December 2018 to cancel 150,000 treasury shares, the corresponding number of shares with a net carrying amount of €13,398 thousand was reclassified from marketable securities to other investment securities.

BONUS SHARE PLANS

2016 AND 2017 BONUS SHARE PLANS

Bonus share plans were adopted on 7 July 2016 and 9 March 2017, subject to performance conditions and involving 17,277 and 29,063 shares respectively.

2018 BONUS SHARE PLAN

On 17 May 2018, in accordance with the authorisation given by the Shareholders' General Meeting in May 2018, FFP's Board of Directors decided to set up a bonus share plan subject to performance conditions for certain employees and corporate officers of FFP and companies related to it. The bonus performance shares will vest on 17 May 2021, and there will be no subsequent lock-up period.

The grants are subject to the condition that beneficiaries should be continuously employed within the Company or related companies during the vesting period. Vesting is subject to performance conditions in terms of the increase in FFP's NAV between 31 December 2017 and 31 December 2020.

The maximum number of FFP shares that may be granted under the plan is 31,940.

A provision for personnel expenses amounting to €1,688 thousand was set aside in 2018 for the 2016-2018 bonus share plans. At the accounts closing date, provisions for all bonus share plans amounted to €3,000 thousand (see Note 15).

NOTE 14 EQUITY

14.1 COMPOSITION OF THE SHARE CAPITAL

((number of shares)	2018	2017
Share capital at beginning of period	25,072,589	25,072,589
Capital reduction through the cancellation of shares	(150,000)	-
Share capital at end of period	24,922,589	25,072,589

On 31 December 2018, FFP's share capital comprised 24,922,589 fully paid-up shares each with a par value of €1 each.

14.2 CHANGES IN EQUITY

(in thousands of euros)	Balance on 31/12/2017	Appropriation of income decided in the 17/05/2018 AGM	Capital reduction	Other changes during the period	Balance on 31/12/2018
Share capital	25,073	-	(150)	-	24,923
Share premiums	158,410	-	-	-	158,410
Statutory reserve	2,541	-	-	-	2,541
Other reserves	1,099,223	(15,220)	(13,248)	-	1,070,755
Retained earnings	2,684	(2,684)	-	-	-
Profit for the period	**31,581**	**(31,581)**	**-**	**32,750**	**32,750**
TOTAL	1,319,512	(49,485)	(13,398)	32,750	1,289,379

5.2

NOTE 15 PROVISIONS

Type of provisions *(in thousands of euros)*	Amount at beginning of period	Additions during the period	Amounts used during the period	Unused provisions released during the period	Amount at end of period
ASSETS					
Impairment provisions					
Long-term investments					
Private equity funds and co-investments					
Expansion funds	2,689	448	–	(2,004)	1,134
Other funds	46	–	–	(10)	36
	2,735	**448**	**–**	**(2,013)**	**1,170**
Other investments					
Other	–	1,744	–	–	1,744
	–	**1,744**	**–**	**–**	**1,744**
Total Portfolio Investment Securities	**2,735**	**2,192**	**–**	**(2,013)**	**2,914**
Liquidity agreement (treasury shares)	–	62	–	–	62
Total other long-term investments	**–**	**62**	**–**	**–**	**62**
Total long-term investments	**2,735**	**2,254**	**–**	**(2,013)**	**2,976**
Treasury shares	–	709	–	–	709
Marketable securities	**–**	**709**	**–**	**–**	**709**
TOTAL ASSETS	2,735	2,963	–	(2,013)	3,685
LIABILITIES					
Contingency and loss provisions					
For retirement benefit obligations	269	169	–	–	438
For long-service benefit obligations	6	2	–	–	8
For personnel expenses (bonus share plans – note 13)	1,312	1,688	–	–	3,000
	1,587	**1,859**	**–**	**–**	**3,446**
TOTAL LIABILITIES	1,587	1,859	–	–	3,446
GRAND TOTAL	4,323	4,822	–	(2,013)	7,131
Movements classified under:					
operations	–	1,859	–	–	
financing	–	2,963	–	(2,013)	

NOTE 16 LIABILITIES

(in thousands of euros)	2018	2017
Bonds		
Euro PP issues (principal and accrued interest)	245,192	245,210
	245,192	**245,210**
Borrowings and debt owed to credit institutions		
Credit facilities (principal and accrued interest) (1) (2)	325,459	171,551
Other borrowings (principal and accrued interest)	–	47,007
	325,459	**218,558**
Tax and employment-related liabilities		
Personnel	1,188	1,452
Social security and other welfare agencies	773	642
Government – Income tax	6,681	–
Government – VAT	456	320
Government – Other	320	308
	9,419	**2,722**
Liabilities related to non-current assets and related accounts		
Payments to be made in relation to securities and private equity funds	959	5,752
	959	**5,752**
Other liabilities		
Short-term income tax receivables from subsidiaries	–	1,431
Other creditors	554	982
	554	**2,413**
TOTAL	581,582	474,655

(1) After applying the terms of swap contracts.
(2) Authorised credit facilities of €740,000 thousand, with drawings of €325,000 thousand.

5.2

MATURITY SCHEDULE OF BORROWINGS AND DEBTS

(in thousands of euros)	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Bonds	2,692	–	242,500	245,192
Borrowings and debt owed to credit institutions	5,459	320,000	–	325,459
Tax and employment-related liabilities	9,419	–	–	9,419
Liabilities related to non-current assets and related accounts (3)	–	959	–	959
Other liabilities	554	–	–	554
TOTAL	18,124	320,959	242,500	581,582

(3) Since calls are made by funds depending on their respective investments, and generally within five years from the subscription to those funds, their timing cannot be determined accurately, and so they have been included in the “between 1 and 5 years” category.

NOTE 17 INFORMATION CONCERNING RELATED COMPANIES AND SHAREHOLDINGS

	2018		2017	
(in thousands of euros)	Related companies [1]	Equity interest	Related companies [1]	Equity interest
Balance sheet items				
Assets (net value)				
Shareholdings	916,494	421,365	916,494	421,365
Receivables connected with shareholdings	470,630	–	355,562	–
Receivables	10,523	–	–	–
Liabilities				
Other liabilities	–	–	1,431	–
Income statement items				
Services	4,872	–	3,870	–
Income from equity interests	5,479	44,691	3,704	40,476

(1) Companies in the FFP group's scope of consolidation, including those accounted for under the equity method.

NOTE 18 FINANCIAL COMMITMENTS

(in thousands of euros)	2018	2017
Commitments received		
Undrawn credit facilities	415,000	519,000
Commitments given		
Commitments to make future subscriptions to securities in the Portfolio Investment Securities category	3,678	3,334
Reciprocal commitments		
Interest-rate risk management transactions	–	–
Interest-rate swaps	280,000	280,000
TOTAL	**280,000**	**280,000**

OTHER COMMITMENTS

FFP has provided €44,326 thousand of security for financing obtained by LDAP.

NOTE 19 EXECUTIVE COMPENSATION

(in thousands of euros)	2018	2017
Attendance fees paid to members of the Board of Directors	765	660
Compensation paid to directors and officers	1,385	1,442
TOTAL	**2,150**	**2,102**

NOTE 20 DEFERRED TAX POSITION

Unrecognised deferred taxes arising from timing differences between the recognition of income and expenses for financial reporting and tax purposes represented a deferred tax expense of €4,556 thousand on 31 December 2018.

NOTE 21 AVERAGE NUMBER OF EMPLOYEES

(number)	2018	2017
Managers	21	17
Employees, technicians and supervisors	1	1
TOTAL	22	18

NOTE 22 POST-BALANCE SHEET EVENTS

None.

NOTE 23 LITIGATION

To the Company's knowledge, no litigation concerning FFP is underway.

5.2

FINANCIAL RESULTS FOR THE LAST FIVE YEARS

(in euros)	2018	2017	2016	2015	2014
I – Year-end financial position					
a – Share capital	24,922,589	25,072,589	25,072,589	25,157,273	25,157,273
b – - Number of shares in issue	24,922,589	25,072,589	25,072,589	25,157,273	25,157,273
II – Comprehensive income from operations					
a – 1. Revenue excluding VAT	5,005,548	3,870,000	2,960,000	2,940,000	1,600,000
a – 2. Other revenue from ordinary activities (1)	50,731,920	44,679,848	3,398,965	1,584,311	1,812,526
b – Profit before tax, depreciation, amortisation and provisions (2)	29,745,092	23,763,047	206,013,538	36,874,720	12,439,030
c – - Income tax	4,282,450	159,101	(2,095,364)	(4,608,833)	333,991
d – Profit after tax, depreciation, amortisation and provisions	32,750,039	31,581,021	207,814,783	30,623,347	23,600,536
e – Profit distributed		49,484,696	45,127,825	40,114,658	50,144,328
III – Per share data					
a – Profit after tax but before depreciation, amortisation and provisions (2)	1.37	0.95	8.13	1.28	0.51
b – Profit after tax, depreciation, amortisation and provisions	1.31	1.26	8.29	1.22	0.94
c – Net dividend distributed	2.15	2.00	1.80	1.60	2.00
IV – Personnel					
a – Number of employees (3)	22	18	16	17	14
b – Payroll expenses	4,132,978	3,819,122	2,660,898	3,078,507	2,172,396
c – Total payments in respect of benefits (social security, other social benefits, etc.)	2,432,868	2,185,904	1,644,126	1,721,449	1,080,632

(1) Revenue from long-term investments and current assets; net gains on disposals of marketable securities.
(2) Provisions represent net additions to provisions during the year, taking into account releases of provisions set aside in previous years.
(3) Average number of employees.

SUBSIDIARIES AND SHAREHOLDINGS ON 31 DECEMBER 2018

(in thousands of euros)	**Interests of 50.00% or more** FFP INVEST 66, avenue Charles-de-Gaulle 92200 Neuilly-sur-Seine	**Interests of less than 10.00%** Peugeot SA 7, rue Henri-Sainte-Claire-Deville 92500 Rueil-Malmaison	Other
Share capital	541,011	904,828	
Reserves and retained earnings before appropriation of income	706,422	18,390,600	
% interest	100.00	9.32	
Carrying amount of securities held			
Gross value	916,494	421,365	39
Net value	916,494	421,365	39
Loans and advances granted by the company and still outstanding	470,630	–	
Amount of sureties and guarantees given by the company	–	–	
Revenue excluding VAT in the last year	–	180,700	
Net profit/(loss) in the last full financial year	196,592	478,300	
Dividends received by the company during the year	–	44,691	

Statutory Auditors' report on the parent-company financial statements

Financial year ended 31 December 2018

To the Shareholders,

OPINION

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we have audited the accompanying parent-company financial statements of FFP for the year ended 31 December 2018.

In our opinion, the parent-company financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of 31 December 2018 and of the results of its operations for the year in accordance with French accounting principles.

The opinion formulated above is consistent with the content of our report to the Finance and Audit Committee.

BASIS OF OUR OPINION

AUDIT

We conducted our audit in accordance with professional standards applicable in France. We believe that the information that we collected provides a sufficient and appropriate basis for our opinion.

Our responsibilities under those standards are stated in the "Responsibilities of the Statutory Auditors in relation to auditing the parent-company financial statements" section of this report.

INDEPENDENCE

We conducted our audit in accordance with the independence rules applicable to us between 1 January 2018 and the date on which we issued our report, and in particular we did not provide any services forbidden by Article 5, paragraph 1 of Regulation (EU) No 537/2014 or by the code of conduct of the Statutory Auditors' profession in France.

JUSTIFICATION OF OUR ASSESSMENTS – KEY POINTS OF THE AUDIT

As required by Articles L. 823-9 and 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key points of the audit, relating to what were, in our professional judgment, the main risks of material misstatement in relation to our audit of the year's parent-company financial statements, and our responses to those risks.

Those assessments were made in the context of our audit of the parent-company financial statements taken as a whole and in the formation of our opinion stated above. We express no opinion on items of the parent-company financial statements taken in isolation.

- Measurement of unlisted equity securities

Notes 1.B, 10 and 11 to the parent-company financial statements

RISK IDENTIFIED AND MAIN JUDGMENTS

As part of its investment activity, the FFP group holds a large amount of securities on its balance sheet. These assets are recognised at their historical value. They are recorded under the "Equity securities" and "Portfolio Investment Securities" items.

The French Commercial Code provides that the current value of these assets must be checked on a regular basis and at least once per year.

The techniques used by management to measure the current value of these securities, as described in Note 1.B above, rely significantly on judgment in terms of the choice of methods and parameters used.

Those securities (including receivables related to them) had a value of €1,840 million (net of impairment), of which €916 million related to unlisted equity securities.

We took the view that the valuation of unlisted equity securities was a key point of the audit because they represented material exposures and because judgment was required to determine their current value.

OUR AUDIT APPROACH

We familiarised ourselves with the internal control arrangements governing the valuation and recognition of the equity securities, particularly the unlisted equity securities.

For these securities, we reviewed previous valuations to obtain assurance about the reliability of the Company's process.

We also assessed the process adopted by the Company to identify possible evidence of a fall in value, and we carried out a critical examination of the ways in which impairment tests are performed in accordance with the Group's accounting policies.

When assessing the reasonableness of the estimate of the value in use of FFP INVEST shares, based on the information presented to us and our work as that entity's auditors, our work principally consisted of checking that the estimate of FFP INVEST value in use, determined through the valuation of financial assets held, is based on an appropriate justification of the valuation method and figures used.

SPECIFIC VERIFICATIONS

We also performed, in accordance with professional standards applicable in France, the specific verifications required by statutory and regulatory provisions.

INFORMATION PROVIDED IN THE MANAGEMENT REPORT AND IN OTHER DOCUMENTS CONCERNING THE FINANCIAL POSITION AND PARENT-COMPANY FINANCIAL STATEMENTS ADDRESSED TO THE SHAREHOLDERS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the parent-company financial position and financial statements addressed to shareholders.

We confirm that the information relating to payment times, provided for by under Article D. 441-4 of the French Commercial Code, is accurate and agrees with the parent-company financial statements.

INFORMATION ON CORPORATE GOVERNANCE

We confirm that the section of the Board of Directors' management report devoted to corporate governance contains the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 225–37-3 of the French Commercial Code (*Code de commerce*) relating to the remuneration and benefits received by the directors and any other commitments made in their favour, 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 the Company from companies controlling your company or controlled by it. Based on this work, we confirm that this information is accurate and fairly presented.

OTHER DISCLOSURES

In accordance with French law, we have verified that the required information concerning the identity of the shareholders or the holders of the voting rights has been properly disclosed in the Management report.

INFORMATION RESULTING FROM OTHER STATUTORY AND REGULATORY OBLIGATIONS

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as Statutory Auditors of FFP by shareholders in the Shareholders' General Meeting of 9 June 2011 (Mazars) and of 7 June 2000 (SEC3).

On 31 December 2018, Mazars was in its eighth consecutive year as an auditor of FFP, and SEC3 in its nineteenth year.

RESPONSIBILITIES OF MANAGEMENT AND PERSONS INVOLVED IN CORPORATE GOVERNANCE IN RELATION TO THE PARENT-COMPANY FINANCIAL STATEMENTS

Management is responsible for preparing parent-company financial statements that present a true and fair view, in accordance generally accepted accounting principles in France, and for setting up the internal controls it deems necessary for preparing parent-company financial statements that do not contain any material misstatements, whether due to fraud or error.

When preparing the parent-company financial statements, management is responsible for assessing the company's ability to continue as a going concern, for presenting in those statements any necessary information relating to its status as a going concern, and for applying the accounting concept of going concern, except where there is a plan to liquidate the company or discontinue its operations.

The Audit Committee is responsible for monitoring the process of preparing the financial information and for monitoring the effectiveness of internal control and risk management systems, and internal audit systems as the case may be, as regards procedures relating to the preparation and treatment of accounting and financial information.

The parent-company financial statements have been approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITOR(S) IN RELATION TO AUDITING THE PARENT-COMPANY FINANCIAL STATEMENTS

AUDIT OBJECTIVE AND PROCEDURE

Our responsibility is to prepare a report on the parent-company financial statements. Our objective is to obtain reasonable assurance about whether the parent-company financial statements, taken as a whole, are free of material misstatement. Reasonable assurance means a high level of assurance, although there is no guarantee that an audit conducted in accordance with professional standards will systematically detect all material misstatements.

Misstatements may arise from fraud or error, and are regarded as material when they can reasonably be expected, individually or together, to influence the economic decisions that users of the financial statements take on the basis of those statements.

As stated by Article L. 823-10-1 of the French Commercial Code, our audit assignment does not involve guaranteeing the viability of your company or the quality of its management.

When conducting an audit in accordance with professional standards in France, statutory auditors use their professional judgment throughout the audit. In addition:

- they identify and assess the risks that the parent-company financial statements contain material misstatements, whether through fraud or error, define and implement audit procedures to address those risks, and collect information that they regard as sufficient and appropriate as the basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, falsification, voluntary omissions, false statements or the circumvention of internal controls;
- auditors familiarise themselves with the internal controls relevant to the audit, in order to define audit procedures appropriate to the situation in hand, and not in order to express an opinion on the effectiveness of internal control;
- they assess the appropriateness of accounting policies adopted and the reasonableness of accounting estimates made by management, along with information about those estimates provided in the parent-company financial statements;
- they assess whether management has applied appropriately the going concern convention and, based on information collected, whether or not there is a material uncertainty arising from events or circumstances likely to call into question the company's ability to continue as a going concern. That assessment is based on information collected until the date of the auditors' report, although it should be borne in mind that subsequent circumstances or events may call into question the company's status as a going concern. If the auditors conclude that there is a material uncertainty, they draw the attention of those reading their report to information provided in the parent-company financial statements in relation to that uncertainty or, if that information is not provided or is not relevant, they certify the financial statements with reservations or refuse to certify them;
- they assess the overall presentation of the parent-company financial statements and assess whether the parent-company financial statements reflect the underlying operations and events so that they give a true and fair view.

REPORTING TO THE FINANCE AND AUDIT COMMITTEE

We submit a report to the Finance and Audit Committee that includes the extent of audit work and the schedule of work performed, along with the conclusions arising from our work. We also make it aware, as the case may be, of any material internal control weaknesses that we have identified regarding procedures for preparing and treating accounting and financial information.

The information in the report to the Finance and Audit Committee includes what we regard as the main risks of material misstatements with respect to the audit of the year's parent-company financial statements, and which are therefore the key points of the audit. It is our role to describe those points in the present report.

We also provide the Finance and Audit Committee with the declaration provided for by Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France, as determined in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the code of conduct of the statutory audit profession in France. As the case may be, we discuss with the Audit Committee any risks to our independence and the safeguard measures applied.

Signed in Paris and Paris La Défense on 11 April 2019

The Statutory Auditors

MAZARS	SEC3
Virginie CHAUVIN	Philippe SPANDONIS

6. ORDINARY AND EXTRAORDINARY GENERAL MEETING OF 15 MAY 2019

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6.1 Statutory Auditors' special reports

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

To FFP's General Meeting of the Shareholders,

In our capacity as FFP's Statutory Auditors, we here below present you our report on related party agreements and commitments.

It is our responsibility to share with you the main characteristics, key arrangements of and the reasons driving the related party agreements and commitments the Company has entered. Reporting is based on the information that have been disclosed to us or that we identified during our assignment, without commenting on their relevance or substance or seeking to identify any undisclosed agreements or commitments. Pursuant to Article R. 225-31 of the French Commercial Code, it is your responsibility to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is our responsibility to make the disclosures to you required by Article R. 225-31 of the French Commercial Code relating to related party agreements and commitments already approved by the General Meeting.

We have performed procedures we deemed necessary to comply with the professional guidelines issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of report. These procedures consisted in verifying the information given to us is consistent with the source documents.

RELATED PARTY AGREEMENTS AND COMMITMENTS SUBMITTED FOR SHAREHOLDER APPROVAL AT THE GENERAL MEETING

RELATED PARTY AGREEMENTS AND COMMITMENTS AUTHORISED AND ENTERED INTO DURING THE YEAR NOW ENDED

We hereby inform you that we were not notified of any related party agreements or commitments authorised and entered into during the year now ended that would need to be submitted for approval at the General Meeting pursuant to Article L. 225-38 of the French Commercial Code.

RELATED PARTY AGREEMENTS AND

COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

RELATED PARTY AGREEMENTS AND COMMITMENTS APPROVED IN PREVIOUS YEARS THAT REMAINED IN FORCE DURING THE YEAR NOW ENDED

Pursuant to Article R. 225-30 of the French Commercial Code, we were informed that the following related party agreements and commitments approved by the General Meeting in previous years remained in force during the year now ended.

AGREEMENTS AND COMMITMENTS ENTERED INTO WITH A CORPORATE OFFICER AND/OR WITH COMPANIES WITH EXECUTIVES IN COMMON

Memorandum of Understanding entered into by FFP with Établissements Peugeot Frères and Peugeot SA concerning the acquisition of a shareholding by Dong Feng Motors and the French Government in Peugeot SA's capital.

On 17 February 2014, the Board of Directors authorised the signature of a Memorandum of Understanding (MoU) concerning the acquisition of a shareholding by Dong Feng Motors and the French Government in Peugeot SA's capital, which was signed on 18 February 2014.

The key points of the MoU are as follows:

- strict equality in terms of the size of the shareholding and voting rights between Dong Feng Motors, the French Government and FFP/EPF upon completion of the transaction, with FFP's and EPF's double voting rights being restored after a 2-year period;
- identical representation for FFP/EPF on PSA's Supervisory Board to that held respectively by Dong Feng Motors and the French Government, that is 2 seats each out of a total of 14. Six seats would be kept specifically for independent members, including the Chairman, and two for employees. FFP/EPF would also have the option of appointing an observer on the Supervisory Board. In this instance, Dong Feng Motors and the French Government would also have the right to appoint one observer each. An FFP/EPF representative would chair the Strategy Committee.

AGREEMENTS WITH AND COMMITMENTS

TO EXECUTIVE OFFICERS

Agreement on the undertakings given to Bertrand Finet, Deputy Chief Executive Officer

At its meeting on 9 March 2017, the Board of Directors authorised the termination benefit payable to Bertrand Finet, the Company's Deputy Chief Executive Officer, should his term in office be ended, under the following terms and conditions:

- termination benefit would be payable if Bertrand Finet's term in office is terminated by the Company's Board of Directors – unless termination is motivated by serious misconduct of Bertrand Finet;
- this termination benefit will not be payable if he resigns or retires;
- the amount of this termination benefit will be equal to:
  - 6 months of fixed compensation and bonus if termination occurs in the first year of its office, provided that he has met at least 50.00% of the qualitative performance criteria set by the Board for the first year;
  - 1 year of fixed compensation and bonus if termination occurs after the first year of its office, provided that he has met at least 60.00% of the qualitative and quantifiable performance criteria to be set subsequently by the Board for 2018;
  - up to 2 years of fixed compensation and bonus if termination occurs after the second year, provided that he has met the qualitative and quantifiable performance criteria set by the Board covering the previous two years.

Signed in Courbevoie and Paris on 11 April 2019

The Statutory Auditors

MAZARS	SEC3
Virginie CHAUVIN	Philippe SPANDONIS

STATUTORY AUDITORS' REPORT ON THE REDUCTION IN CAPITAL

To the Shareholders,

In our capacity as FFP's Statutory Auditors and pursuant to the duties provided for in Article L. 225-209 of the French Commercial Code in case of capital reduction by cancellation of repurchased shares, we have drawn up this report intended to inform you of our assessment of the causes and conditions of the proposed capital reduction.

The Board of Directors is requiring full powers, for a period of 26 months starting on the date of this General Meeting, in order to cancel shares that had been bought back by the company, duly authorized by shareholders and in accordance with the provisions of the aforementioned Article. Cancellation should not exceed 10.00% of its total share capital per 24-month period.

We have performed the procedures we deemed necessary to comply with the professional guidelines issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of report. These procedures consisted in verifying that the causes and the terms and conditions of the proposed reduction in capital, which should not compromise the equal treatment of shareholders, are regular.

We have no matters to report as to the causes and the terms and conditions of the proposed reduction in capital.

Signed in Courbevoie and Paris on 11 April 2019

The Statutory Auditors

MAZARS	SEC3
Virginie CHAUVIN	Philippe SPANDONIS

6.2 Summary of the delegations of powers currently in force granted by shareholders at the General Meeting to the Board of Directors to carry out capital increases

The following table summarises the various authorisations currently in force that were approved by shareholders at the Combined Ordinary and Extraordinary General Meeting of 17 May 2018:

Resolution/Issue		Duration/ Maturity	Maximum amount	Use
16th	Authorisation for the Company to repurchase its own shares.	18 months 16/11/2019	No more than 10.00% of the Company's share capital	Used partially in connection with liquidity agreement (1)
17th	Authorisation to cancel shares held by the Company following the repurchase of its own shares.	26 months 16/07/2020	No more than 10.00% of the Company's share capital	Cancellation of 150,000 shares
18th	Authorisation of bonus allotment of new shares, with the cancelling shareholders' pre-emption rights, or of existing shares to employees and/or executive officers of the Company and related entities, subject to performance conditions.	38 months 16/07/2021	No more than 3.00% of the Company's share capital	Used partially by the Board on 17 May 2018
19th	Delegation of powers to increase the share capital by capitalising reserves or premiums.	26 months 16/07/2020	€10,000,000	None
20th	Delegation of powers to issue ordinary shares and/or equity securities conferring rights to other equity securities or carrying entitlement to the allotment of debt securities, and/or negotiable securities conferring rights to equity securities to be issued by the Company, with pre-emption rights for shareholders.	26 months 16/07/2020	Issues of shares or of negotiable securities conferring rights to the share capital: €10,000,000 Issues of negotiable debt securities: €15,000,000	None
21st	Delegation of powers to issue ordinary shares and/or equity securities conferring rights to other equity securities or carrying entitlement to the allotment of debt securities, and/or negotiable securities conferring rights to equity securities to be issued by the Company, cancelling shareholders' pre-emption rights in connection with a public offer with priority rights.	26 months 16/07/2020	Issues of shares or of negotiable securities conferring rights to the share capital: €10,000,000 Issues of negotiable debt securities: €15,000,000	None
22nd	Delegation of powers to issue ordinary shares and/or equity securities conferring rights to other equity securities or carrying entitlement to the allotment of debt securities, and/or negotiable securities conferring rights to equity securities to be issued by the Company, cancelling shareholders' pre-emption rights in connection with a private placement.	26 months 16/07/2020	Issues of shares or of negotiable securities conferring rights to the share capital: €10,000,000 (up to 20% of the share capital p.y.) Issues of negotiable debt securities: €15,000,000	None
23rd	Authorisation in the event of the issue of ordinary shares and/or equity securities conferring rights to other equity securities or carrying entitlement to the allotment of debt securities, and/or negotiable securities conferring rights to equity securities to be issued, cancelling shareholders' pre-emption rights, to set the issue price in line with the arrangements laid down by the General Meeting, up to 10.00% of the share capital.	26 months 16/07/2020	No more than 10.00% of the Company's share capital in any 12-month period. Counts against the upper limit set by the 28th resolution	None
24th	Delegation to increase the number of shares to be issued in the event of a capital increase with or without pre-emption rights in connection with overallotment options.	26 months 16/07/2020		None
25th	Delegation of powers to issue shares and/or equity securities conferring rights to other equity securities of the Company or carrying entitlement to the allotment of debt securities as consideration for contributions in kind of equity securities or of negotiable securities conferring rights to the share capital.	26 months 16/07/2020	No more than 10.00% of the Company's share capital. Counts against the upper limits set by the 28th resolution	None
26th	Delegation of powers to issue shares and/or equity securities conferring rights to other equity securities or carrying entitlement to the allotment of debt securities as consideration for securities tendered to any public exchange offer made by the Company.	26 months 16/07/2020	€10,000,000	None
27th	Delegation of powers to carry out a capital increase reserved for members of the Group's corporate savings plans.	26 months 16/07/2020	€500,000	None
28th	Upper limit set for delegations of powers.	26 months 16/07/2020	Issue of shares or of negotiable securities conferring rights to the share capital: €10,000,000 Issues of negotiable debt securities: €15,000,000	None

(1) Pursuant to the 17th resolution of the General Meeting of 11 May 2017, then the 16th resolution of the General Meeting of 17 May 2018, Oddo Corporate Finance bought 106,059 shares during 2018, acting on behalf of FFP under a liquidity agreement and to maintain the liquidity of the share.

6.3 Arrangements for participating at General Meetings

Article 13 of the Articles of Association lays down the arrangements for shareholders to participate at General Meetings, including the terms and conditions governing allotment of double voting rights to shares held in registered form.

6.4 Resolutions to be proposed at the Ordinary and Extraordinary General Meeting of 15 May 2019

DECISIONS TO BE MADE IN ORDINARY SESSION

FIRST RESOLUTION

(Review and approval of the parent company financial statements for 2018)

The General Meeting of Shareholders, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the annual financial statements, of the Board of Directors' management report on the year now ended and of the Statutory Auditors' general report, approves the parent company financial statements for the 2018 financial year – in the form were presented – as well as the transactions reflected in the financial statements or summarised in these reports showing earnings of €32,750,039.25.

The General Meeting notes that no expenditure or charge falling within the scope of Article 39-4 of the French General Tax Code was presented in respect of the financial year.

SECOND RESOLUTION

(Appropriation of income for the 2018 financial year)

The General Meeting notes that income available for distribution, consisting of net earnings for the financial year of €32,750,039.25, plus the €1,070,754,831.59 in reserves available for distribution, amounts to €1,103,504,870.84.

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, as suggested by the Board of Directors, decides on appropriate income available for distribution as follows:

- €53,583,566.35 to shares as a dividend
- €1,049,921,304.49 to other reserves

This amount takes into account the number of shares existing on 15 March 2019 and shall be adjusted for the number of existing shares at the dividend payment date. Accordingly, the General Meeting sets the dividend for the financial year at €2.15 per share. The General Meeting decides that the dividend shall be paid on 22 May 2019. The portion of income available for distribution attributable to shares held in treasury shall be allocated to the "retained earnings" account.

When the dividend is paid to individual shareholders residing in France for tax purposes, it is liable to the single flat-rate levy at an aggregate rate of 30.00% including (i) the flat-rate income tax rate of 12.80%, and (ii) the CSG-CRDS social security charges at a rate of 17.20%. However, individual shareholders residing in France for tax purposes may chose for the dividend to be taxed at their marginal rate of income tax. The dividend is hereby eligible for the 40.00% rebate for individuals in France for tax purposes as provided for in Article 158-3(2) of the French General Tax Code. The option to apply the marginal income tax rate must be exercised annually and expressly. It cannot be revoked and is made globally. Accordingly, it applies to all the income, net gains, profits and receivables falling within the scope of the single flat-rate levy in respect of a given year.

In accordance with Article 243 bis of the French General Tax Code, the following dividends were paid in respect of the previous three financial years:

DIVIDEND PAYMENTS IN THE LAST THREE FINANCIAL YEARS

	2017	2016	2015
Number of shares	25,072,589	25,072,589	25,157,273
Par value of shares	€1.00	€1.00	€1.00
Dividend paid per share	€2.00	€1.80	€1.60

THIRD RESOLUTION

(Review and approval of the consolidated financial statements for 2018)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the consolidated financial statements, of the Board of Directors' management report on the year now ended, and of the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements for the 2018 financial year, as presented, as well as the transactions reflected in the financial statements or summarised in the reports.

FOURTH RESOLUTION

(Review and approval of the agreements covered by Article L. 225-38 of the French Commercial Code)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the special report of the Statutory Auditors on agreements covered by Article L. 225-38 et seq. of the French Commercial Code, acknowledges the conclusions of this report and approves the agreements reported.

FIFTH RESOLUTION

(Reappointment of Jean-Philippe Peugeot as a director)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the Board of Directors' report, decides to reappoint Jean-Philippe Peugeot for a term in office as a director of four years, that is until the close of the 2023 Ordinary General Meeting called to approve the 2022 financial statements.

SIXTH RESOLUTION

(Approval of the fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind paid or awarded in respect of FY 2018 to Robert Peugeot, Chairman and Chief Executive Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the Board of Directors' report, approves the fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind paid or awarded in respect of FY 2018 to Robert Peugeot for his duties as Chairman and Chief Executive Officer, as presented in the Registration Document in the "Shareholder approval of the fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind paid or awarded in respect of the financial year to 31 December 2018 to Robert Peugeot, Chairman and Chief Executive Officer" section.

SEVENTH RESOLUTION

(Approval of the fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind paid or awarded in respect of FY 2018 to Bertrand Finet, Deputy Chief Executive Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the Board of Directors' report, approves the fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind paid or awarded in respect of FY 2018 to Bertrand Finet for his duties as Deputy Chief Executive Officer, as presented in the Registration Document in the "Shareholder approval of the fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind paid or awarded in respect of the financial year to 31 December 2018 to Bertrand Finet, Deputy Chief Executive Officer" section.

EIGHTH RESOLUTION

(Approval of the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind due in respect of FY 2019 to Robert Peugeot, Chairman and Chief Executive Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the Board of Directors' report, approves the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind due in respect of FY 2019 to Robert Peugeot for his duties as Chairman and Chief Executive Officer, as presented in the Registration Document in the "Shareholder approval of the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind due in respect of FY 2019 to the executive officers" section.

NINTH RESOLUTION

(Approval of the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind due in respect of FY 2019 to Bertrand Finet, Deputy Chief Executive Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the Board of Directors' report, approves the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind due in respect of FY 2019 to Bertrand Finet for his duties as Deputy Chief Executive Officer, as presented in the Registration Document in the "Shareholder approval of the principles and criteria applied in the determination, allocation and award of fixed compensation, bonuses and exceptional payments composing the total remuneration and benefits of any kind due in respect of FY 2019 to the executive officers" section.

TENTH RESOLUTION

(Authorisation to be granted to the Board of Directors for a period of 18 months to have the Company repurchase its own shares at a maximum price of €130 per share, or a maximum total outlay of €323,993,670)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for ordinary general meetings, taking note of the Board of Directors' report, authorises the Board of Directors, in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code and European Regulation (EU) no. 596/2014 of 16 April 2014, to have the Company purchase its own shares.

This authorisation is given, where necessary, for:

- a financial service provider that ensures an active market and liquid instruments; under a liquidity agreement that satisfies the acceptability requirements established by the AMF in its decision no. 2018-01 of 2 July 2018, making share liquidity agreements an accepted market practice, and complies with the AMAFI Code of Ethics recognised by the Autorité des marchés financiers;
- the distribution or sale of shares to employees and/or corporate officers (on the terms and conditions provided for by law), including under a stock option plan, a bonus share distribution plan or a corporate savings plan;
- the distribution of the Company's shares through the remittance of shares upon the exercise of rights attached to negotiable securities carrying entitlement through redemption, conversion, exchange, presentation of a warrant or any other means to the distribution of the Company's shares;
- the potential cancellation of the shares acquired, subject to adoption of the 11th resolution to be considered in extraordinary session as it appears on the agenda for this General Meeting;
- more generally, the execution of any transaction permitted or authorised subsequently by the regulations in force, especially where it relates to a market practice permitted by the Autorité des marchés financiers.

The aforementioned acquisitions, sales and transfers may be undertaken by any lawful means and the regulations in force, including through transactions agreed privately.

These transactions may take place at any time, including during a public offer or pre-offer for the Company's shares, in accordance with Article 231-40 of the General Regulation of the Autorité des marchés financiers or during the period of a pre-offer, public exchange or tender offer or a combined public tender and exchange offer made by the Company on the terms and conditions provided by law and the regulations in force and in accordance with the provisions of Article 231-41 of the General Regulation of the Autorité des marchés financiers.

The General Meeting sets the maximum number of shares that may be acquired pursuant to this resolution at 10.00% of the Company's share capital at the date of this General Meeting, which corresponds to 2,492,259 shares each with a par value of €1, it being stated that pursuant to this authorisation, the number of shares held in treasury must be taken into consideration such that the Company remains at all times below the limit on the number of shares held in treasury, which stands at no more than 10.00% of the share capital.

The General Meeting decides that the total amount spent on these acquisitions may not exceed €323,993,670 and decides that the maximum purchase price may not exceed €130 per share. Also the Company may not buy shares at a price exceeding the higher of: i) the last share price resulting from execution of a trade to which the Company was not party, and ii) the highest independent bid price on the trading platform on which the purchase was made.

In the event of a capital increase through the capitalisation of premiums, reserves, earnings or other items leading to a distribution of bonus shares during the period of validity of this authorisation and in the event of a share split or consolidation, the General Meeting delegates to the Board of Directors the power to adjust, where appropriate, the aforementioned maximum unit price, to reflect the impact of these transactions on the share's value.

The General Meeting grants full powers to the Board of Directors, which may be delegated as provided for by law, for matters relating to:

- the decision to implement this authorisation;
- outlining the terms and conditions and the arrangements for protecting any rights of holders of negotiable securities conferring rights to the share capital, stock options or rights to the distribution of performance shares, in accordance with the provisions of law, the regulations and contractual agreements;
- reviewing all stock market orders, settling all agreements, with specific attention for the share registers, in accordance with the regulations in force;
- make all declarations and fulfill all other formalities and, in general, do what is necessary.

The Board of Directors will inform the shareholders attending the annual Ordinary General Meeting of all the transactions completed pursuant to this resolution.

This authorisation is granted for a period of 18 months effective from the date of this General Meeting.

DECISIONS TO BE MADE IN EXTRAORDINARY SESSION

ELEVENTH RESOLUTION

(Authorisation to be granted to the Board of Directors for a period of 26 months to cancel shares held by the Company following the repurchase of its own shares)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for extraordinary general meetings, taking note of the Board of Directors' report, of the Statutory Auditors' special report, grants the Board of Directors, in accordance with the provisions of Article L. 225-209 of the French Commercial Code, the discretionary power to cancel, on one or more occasions, some or all of the Company's shares that the Company holds or may come to hold pursuant to the aforementioned Article L. 225-209 and to reduce the share capital by the aggregate nominal amount of the duly cancelled shares, subject to an upper limit of 10.00% of the share capital at the date of this General Meeting per 24-month period.

The General Meeting gives full powers to the Board of Directors to carry out the capital reduction(s), to write off the difference between the repurchase price of the cancelled shares and their par value against any and all reserves and share premiums, to make the corresponding amendments to the Articles of Association, to reassign the fractional amount of the statutory reserve that became available as a result of the capital reduction and to make all the declarations to the Autorité des marchés financiers and, generally, to take whatever action is necessary.

This authorisation is granted for a period of 26 months from today's date.

TWELFTH RESOLUTION

(Amendment of the Articles of Association to state the majority required to extend the Company's corporate life)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for extraordinary general meetings, taking note of the Board of Directors' report, decides to amend Article 5 of the Articles of Association for the purpose of stating the majority required to extend the Company's corporate life.

Accordingly, Article 5 of the Articles of Association shall be amended to read as follows: "the Company's corporate life shall expire on 18 July 2028, unless the General Meeting, deliberating in accordance with the quorum and majority voting requirements for extraordinary general meetings, resolves to wind it up early or to extend its life".

THIRTEENTH RESOLUTION

(Amendment of the Articles of Association to extend the Company's corporate life)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for extraordinary general meetings, taking note of the Board of Directors' report, and upon prior approval of the 12th resolution, decides to extend the Company's corporate life for a period of 99 years starting from the date of this General Meeting.

The General Meeting resolves to amend Article 5 of the Articles of Association to read as follows:

"the Company's corporate life, which was originally due to expire on 18 July 2028, was extended for 99 years by the General Meeting of 15 May 2019 and shall expire on 14 May 2118, unless the General Meeting, deliberating in accordance with the quorum and majority voting requirements for extraordinary general meetings, resolves to wind it up early or to extend its life".

FOURTEENTH RESOLUTION

(Powers to carry out formalities)

The General Meeting grants full powers to the bearer of an original, copy or excerpt of the minutes of this Meeting to carry out the statutory and administrative formalities and to complete all fillings and publicity formalities required by the legislation in force.

6.4

7. SHAREHOLDER INFORMATION

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7.1 Shareholder information

CORPORATE DOCUMENTS

The Company's corporate documents, including its Articles of Association, financial statements and the reports submitted to its general meetings by the Board of Directors or the Statutory Auditors, are available for inspection at its registered office by contacting:

Thierry Mabille de Poncheville
General Counsel
Tél.: 01 84 13 87 44
Fax: 01 47 38 13 42
E-mail: thierry.deponcheville@groupe-ffp.fr

FINANCIAL INFORMATION

Investors and shareholders requiring information about the Company may contact:

Sébastien Coquard
Head of Investments
Tél.: 01 84 13 87 25
Fax: 01 47 38 13 42
E-mail: sebastien.coquard@groupe-ffp.fr

In addition, all the latest financial news and all the information documents published by FFP are available on the Company's website (www.groupe-FFP.fr).

7.2 Person responsible for the Registration Document

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Robert Peugeot, Chairman and Chief Executive Officer

STATEMENT BY THE PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT

I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its content.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and of all the companies in the consolidation taken as a whole, and the management report includes a fair review of the development, performance and financial position of the Company and all the companies in the consolidation taken as a whole, together with a description of the main risks and uncertainties they face.

I have obtained a statement from the Statutory Auditors at the end of their engagement affirming that they have checked information about the financial position and the historical accounts contained therein and read the entire document.

Robert Peugeot
Chairman and Chief Executive Officer

7.3 Person responsible for the audit of the financial statements

PRINCIPAL STATUTORY AUDITORS

MAZARS

61, rue Henri-Regnault – 92075 Paris-La Défense Cedex
Represented by Virginie Chauvin

Date of first appointment:
Ordinary General Meeting of 9 June 2011 called to approve the financial statements for the year ended 31 December 2010.

Date of most recent reappointment:
Ordinary General Meeting of 11 May 2017 called to approve the financial statements for the year ended 31 December 2016.

End date of appointment:
Ordinary General Meeting called in 2023 to approve the financial statements for the year ended 31 December 2022.

SEC3

8-10, rue Léon-Frot – 75011 Paris
Represented by Philippe Spandonis

Date of first appointment:
7 June 2000.

Date of most recent reappointment:
Ordinary General Meeting of 11 May 2017 called to approve the financial statements for the year ended 31 December 2016.

End date of appointment:
Ordinary General Meeting called in 2023 to approve the financial statements for the year ended 31 December 2022.

7.4 Cross-reference table for the Registration Document

The following cross-reference table shows where the main information required under Regulation (EC) No. 809/2004 (269) can be found.

Sections	Headings of Annex 1 of Regulation (EC) No. 809/2004	Pages
1.	**Persons responsible**	
1.1.	Person responsible for the Registration Document	226
1.2.	Statement by the persons responsible	226
2.	**Statutory Auditors**	
2.1.	Name and address of Statutory Auditors	226
2.2.	Statutory Auditors, having resigned, been removed or not been reappointed	N/A
3.	**Selected financial information**	
3.1.	Historical financial information	7 – 127 – 209
3.2.	Interim financial information	N/A
4.	**Risk factors**	**113 to 122**
5.	**Information about the issuer**	
5.1.	History and development of the Company	8 – 9
5.1.1.	Corporate and trading name	108
5.1.2.	Place of registration and registration number	108
5.1.3.	Date of incorporation and length of life	108
5.1.4.	Registered office, legal form, applicable legislation, country of origin, adress and phone number	108
5.1.5.	Important events in the development of the Company's	6 – 8 – 14 et s. – 110 – 122
5.2.	Capital expenditure	
5.2.1.	Principal investments in each financial year for the period covered by the historical financial information, up to the date of the Registration Document	110 – 122
5.2.2.	Main investments in progress	N/A
5.2.3.	Principal future investments on which its management bodies have already made firm commitments	122 – 182 – 208
6.	**Business overview**	
6.1.	Principal activities	
6.1.1.	Nature of the issuer's operations and its principal activities	10 – 18 to 38 – 110
6.1.2.	Significant new products and/or services launched	N/A
6.2.	Principal markets	10 – 18 to 38
6.3.	Exceptional events that have influenced information given in accordance with items 6.1 and 6.2	110
6.4.	FFP's dependence on patents or licences, industrial, commercial or financial contracts	123
6.5.	Basis for any statements made by FFP concerning its competitive position	N/A
7.	**Organisational structure**	
7.1.	Description of the issuer	14
7.2.	List of subsidiaries	14 to 38
8.	**Property, plant and equipment**	
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8.2.	Environmental issues that may affect the issuer's use of its property, plant and equipment	38 to 61
9.	**Operating and financial review**	
9.1.	Financial condition	111 to 113 – 123 – 124
9.2.	Operating results	

9.2.1.	Significant factors materially affecting the issuer's income from operations	111 to 113 – 123 – 124
9.2.2.	Narrative discussion of the material changes in net sales or revenues	111 to 113 – 123 – 124
9.2.3.	Governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	N/A
10.	**Capital resources**	
10.1.	Information about capital	133 – 163 – 164 – 205
10.2.	Sources and amounts of cash flows	112 – 132 – 176 – 192
10.3.	Borrowing requirements and funding structure	165 to 168 – 176 to 178 – 207
10.4.	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect the issuer's operations	165 to 168
10.5.	Information regarding the anticipated sources of funds needed to fulfil commitments	182 – 208
11.	**Research and development, patents and licences**	**N/A**
12.	**Trend information**	
12.1.	Most significant recent trends in production, sales and inventory, and costs and selling prices up to the date of the registration document	N/A
12.2.	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect	122
13.	**Profit forecasts or estimates**	**N/A**
14.	**Administrative, management, and supervisory bodies and senior management**	
14.1.	Information concerning members of the administrative and supervisory bodies	64 et s. – 80 et s.
14.2.	Conflicts of interest affecting the administrative, management, and supervisory bodies and senior management	98
15.	**Remuneration and benefits**	
15.1.	Amount of remuneration paid and benefits in kind	87 et s. – 96 et s.
15.2.	Amounts set aside or accrued to provide pension, retirement or similar benefits	169
16.	**Board practices**	
16.1.	Date of expiration of the current appointments and period during which the person has served in that office	64 et s. – 80 et s.
16.2.	Information about service contracts between members of the administrative bodies and the issuer or any of its subsidiaries	98
16.3.	Information about the issuer's Audit Committee and Remuneration Committee	74 et s. – 82 et s.
16.4.	Statement as to whether or not the issuer complies with the corporate governance regime in its country of incorporation	98
17.	**Employees**	
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17.2.	Shareholdings and stock options	89
17.3.	Arrangements for involving the employees in the capital of the issuer	102 – 139
18.	**Major shareholders**	
18.1.	Shareholders owning over 5.00% of the share capital or voting rights	102 et s.
18.2.	Existence of different voting rights	103 – 104
18.3.	Control of the issuer	103
18.4.	Arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	104
19.	**Related party transactions**	**N/A**
20.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**	
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20.2.	Pro forma financial information	N/A
20.3.	Financial statements	135 – 193
20.4.	Auditing of historical annual financial information	
20.4.1.	Statement that the historical financial information has been audited	183 – 211

20.4.2.	Other information audited by the auditors	216 to 218
20.4.3.	Financial information in the Registration Document not taken from audited financial statements	N/A
20.5.	Date of latest financial information	31/12/2018
20.6.	Interim financial information	N/A
20.7.	Dividend policy	105 to 106 – 163 – 209
20.8.	Legal and arbitration proceedings	118
20.9.	Significant change in the issuer's financial or trading position	110 to 113
21.	**Additional information**	
21.1.	Share capital	
21.1.1.	Amount of issued capital and qualitative information for each class of share capital	102 to 105 – 205
21.1.2.	Existence of shares not representing capital	N/A
21.1.3.	Number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries	102 – 163
21.1.4.	Amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing the issuer and the procedures for conversion, exchange or subscription	N/A
21.1.5.	Information about and terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital	104 and 105
21.1.6.	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	N/A
21.1.7.	History of share capital for the period covered by the historical financial information	102 et s.
21.2.	Memorandum and Articles of Association	
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21.2.2.	Summary of the Articles of Association with respect to the members of the administrative, management and supervisory bodies	78 to 86
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21.2.5.	Description of the conditions governing the manner in which general meetings are called including the conditions of admission	104
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21.2.7.	Ownership threshold above which shareholder ownership must be disclosed	102 to 104
21.2.8.	Description of the conditions governing changes in the capital	N/A
22.	**Material contracts**	**123 – 175 to 179**
23.	**Third party information and statement by experts and declarations of any interest**	**N/A**
23.1.	Name, business address, qualifications and material interest in the issuer of persons who have acted as experts and whose statements or reports have been included in the Registration Document	N/A
23.2.	Confirmation that this information from a third party has been accurately reproduced	N/A
24.	**Documents on display**	**226**
25.	**Information on holdings**	**14 et s.**

N/A : Not applicable.

7.5 Cross-reference table for the annual financial report

The following cross-reference table shows where the information required in the annual financial report can be found.

Information required in the annual financial report	Pages
1. Annual financial statements (Article 222-3(1) of AMF Regulation)	**187**
2. Consolidated financial statements (Article 222-3(2) of the AMF Regulation)	**127**
3. Management report (Article 222-3(3) of the AMF Regulation), including:	
(objective and exhaustive analysis of the development of the Company's business, results and the financial position (Article L. 225-100-1 of the French Commercial Code)	111 – 112
where necessary to understand the Company's business, results and the financial position, key financial and, where appropriate, non-financial performance indicators (Article L. 225-100-1 of the French Commercial Code)	15
description of the principal risks and uncertainties (Article L. 225-100-1 of the French Commercial Code)	113 to 122 – 175 to 179
indications about the financial risks arising from climate change effects (Article L. 225-100-1 of the French Commercial Code)	118
main aspects of the internal control and risk management procedures implemented by the Company for the preparation and processing of the accounting and financial information (Article L. 225-100-1 of the French Commercial Code)	118 et s. – 175 et s.
where relevant, indications about its objectives and its policy concerning coverage of each principal category of transactions to which hedge accounting is applied (Article L. 225-100-1 of the French Commercial Code)	175 et s.
employee holdings in the share capital (Article L. 225-102 of the French Commercial Code)	102 – 164
non-financial performance statement (Article L. 225-102-1 of the French Commercial Code)	N/A
description of installations classified under Seveso framework (Article L. 225-102-2 of the French Commercial Code)	38 et s.
vigilance plan (Article L. 225-102-4 of the French Commercial Code)	N/A
activities of the subsidiaries and companies controlled and statement of material holdings in companies having their registered office in France or acquisitions of control of such companies (Article L. 233-6 of the French Commercial Code)	14 – 18 et s. – 110 – 122
summary of the transactions by senior executives in the Company's shares (Article L. 621-18-2 of the French Monetary and Financial Code)	98
five-year financial highlights (Article R. 225-102 of the French Commercial Code)	210
disclosures about supplier payment periods (Articles L. 441-6-1 and D. 411-4 of the French Commercial Code)	123
position of the Company during the past financial year, its likely future trends, major events that have occurred between the end date of the financial year (Article L. 232-1-II of the French Commercial Code)	6 – 110 et s. – 122
details of the 2018 share buyback programme (Article 241-3 of the AMF regulation and Article L. 225-211, al 2 of the French Commercial Code)	106 – 107

report on corporate governance (Article 225-37 of the French Commercial Code and Article L. 222-9 of the AMF General Regulation)	
• disclosures about the executive officer remuneration policy (Article L. 225-37-2 of the French Commercial Code)	87 et s.
• total remuneration and benefits of any kind paid during the financial year to each executive officer (Article L. 225-37-3 of the French Commercial Code)	87 et s. - 182 – 209
• commitments of any kind given by the Company to its corporate officers (Article L. 225-37-3 of the French Commercial Code)	92
• conditions for the bonus shares allotted to executive officers (Article L. 225-197-1 of the French Commercial Code)	90 – 91 – 205
• List of all the terms in office and positions held in any company by each executive officer during the financial year (Article L. 225-37-4(1) of the French Commercial Code)	67 to 72
• agreements entered into by one of the corporate officers with the Company or a subsidiary of the Company (Article L. 225-37-4(2) of the French Commercial Code)	98 – 99
• summary table of delegations of authority to increase the share capital (Article L. 225-37-4(3) of the French Commercial Code)	218
• modes of Executive Management (Article L. 225-37-4(4) of the French Commercial Code)	77 – 79
• composition, preparation and organisation of the Board of Directors' work (Article L. 225-37-4(5) of the French Commercial Code)	64 to 79
• description of the diversity policy applied to members of the Board of Directors and objectives implementation arrangements and outcomes achieved during the financial year now ended (Article L. 225-37-4(6) of the French Commercial Code))	66
4. Persons responsible (Article L. 222-3(4) of the AMF Regulation)	
person responsible for the information contained in the annual financial report	226
statement by the person responsible for the annual financial report	226
5. Statutory Auditors' reports (Article L. 222-3(5) of the AMF Regulation)	
Statutory Auditors' report on the annual financial statements	211 et s.
Statutory Auditors' report on the consolidated financial statements	183 et s.

N/A : Not applicable.

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