FFP

2016 Registration Document

FY 2016

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FFP

REGISTRATION DOCUMENT

FY 2016

2016

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

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 2015, contained in pages 84 to 132 and 133 of the Registration Document filed with the AMF on 5 April 2016 under number D. 16-0277;
- the consolidated financial statements and the report of the Statutory Auditors, for 2014, contained in pages 87 to 132 and 133 of the Registration Document filed with the AMF on 7 April 2015 under number D. 15-0287.

The original French-language version of this Registration Document was filed with the Autorité des Marchés Financiers (AMF) on 31 March 2017 in accordance with Article 212–13 of the AMF General Regulation. The French-language original 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 our website **(www.groupe-ffp.fr**), or via the website of the Autorité des Marchés Financiers (**www.amf-france.org**).

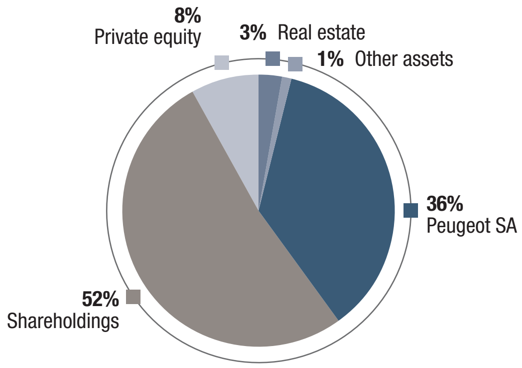
PROFILE

FFP is a listed company controlled by Établissements Peugeot Frères.

It is one of the leading shareholders in Peugeot SA. It also develops a diversification portfolio composed primarily of minority holdings with a long-term shareholding approach, but also including private equity and real estate.

€3.3 billion

Net Asset Value



+6%

Net Asset Value growth

> €415 million

Investment capacity*

* Investment capacity = undrawn credit facilities + available cash.

1

GROUP PRESENTATION

1.1 Chairman's message for 2016

2016 was another active and profitable year for FFP. All of our various asset categories contributed to our performance.

The steady growth in FFP's Net Asset Value over the last few years is the result of PSA's success with its turnaround and Back in the Race plan, along with good performance among our investments, particularly LISI, SEB, ORPEA and DKSH. In 2016, FFP continued its growth momentum, completing 21 transactions. Foremost among them, we invested €73 million in Tikehau, committed $50 million to JAB Global Consumer Brand (a world leader in the coffee sector), committed €77 million to 8 private equity funds, made €11 million of co-investments and invested €36 million in real-estate projects in the USA and La Défense in Paris.

2017 has started with a highly transformative plan: the PSA Group's agreement to acquire the business of Opel Vauxhall, which will ensure that it has a solid, balanced presence in Europe and should yield substantial synergies.

Naturally, FFP was a strong supporter of this project. Having initiated the sale of 50% of our stake in ONET in early 2016, FFP is likely to sell the rest of its interest in 2017.

Our private equity portfolio returned almost €40 million in 2016, as in 2015, and contributed to our performance during the year. Our new commitments were mainly outside France, in Europe, the USA, Israel, Africa and China.

On the basis of our overall 2016 performance, we will propose an ordinary dividend of €1.80 per share at our AGM, a 12.5% increase relative to 2015.

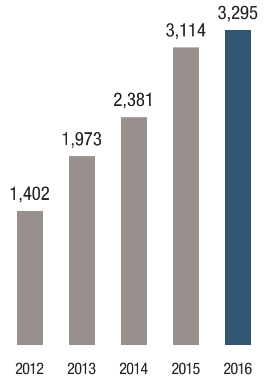
FFP's indebtedness remains low, below 10% of Gross Asset Value, giving us substantial investment potential. In early 2017, the FFP team welcomed Bertrand Finet as Chief Operating Officer, replacing Alain Chagnon who had held that role since 2003 and now adviser to the Chairman. FFP has now established a subsidiary in London, headed by Frédéric Banzet, and we have strengthened our investing and portfolio management teams.

ROBERT PEUGEOT
Chairman and Chief Executive Officer

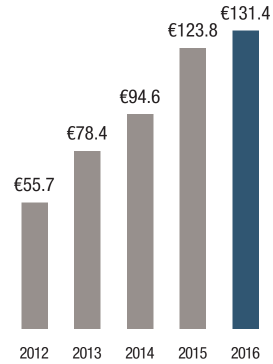
1.2 Key figures

ASSET VALUE[(1)] *(in millions of euros)*

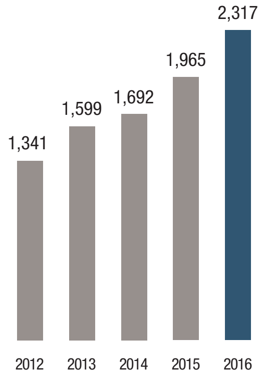
Net Asset Value



Net Asset Value per share



Gross Asset Value of Investment Assets (excluding PSA)

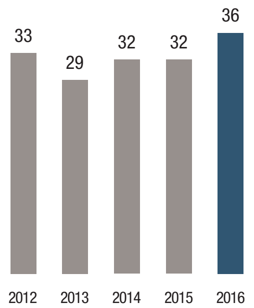


CONSOLIDATED FINANCIAL STATEMENTS

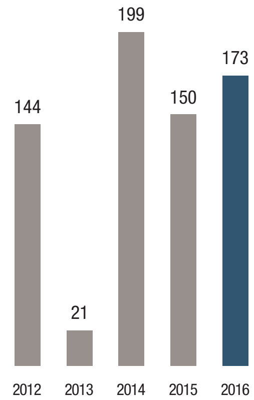
(in millions of euros)	2012	2013	2014	2015	2016
Share in the profit or loss of associates	(971.0)	(1,095.8)	236.2	31.6	18.0
Net profit attributable to equity holders of the parent	(900.5)	(1,065.8)	307.8	159.2	149.8
Net profit per share	€(35.8)	€(42.4)	€12.2	€6.4	€6.0
Equity attributable to equity holders of the parent	2,829.2	1,825.3	2,235.7	2,928.3	3,070.1
Equity per share after appropriation of income	€112.5	€72.6	€88.9	€115.2	€120.6

MAIN FINANCIAL FLOWS *(in millions of euros)*

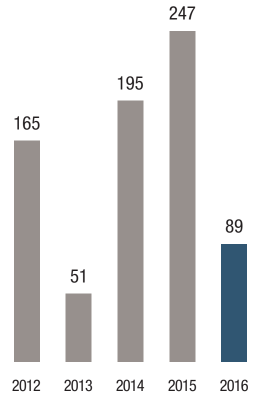
Dividends received (by FFP and its wholly owned subsidiaries)



Investments in equity securities and private equity funds*



Disposals of securities and money returned by private equity funds

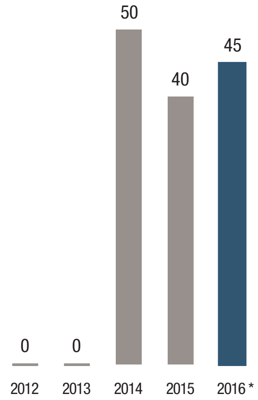


* *Including the investment in the OCEANEs issued by FAURECIA in 2012.*

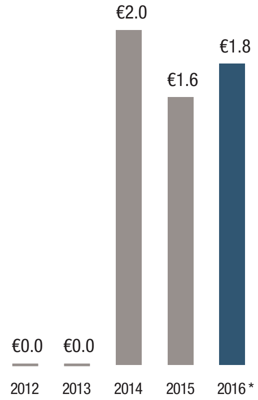
(1) *Details of asset valuations at 31 December 2016 are provided in section 1.6 Net Asset Value.*

DIVIDENDS

Dividend paid *(in millions of euros)*



Net dividend per share



* *Proposed to the 11 May 2017 AGM.*

1.3 FFP's strategy

Long-standing shareholder of Peugeot SA

Long-term minority shareholdings

FFP: long-term investor

FFP has a long-standing 9.8% stake in Peugeot SA. FFP and its majority shareholder Établissements Peugeot Frères together own 12.9% of Peugeot SA and are among its main shareholders.

Other shareholdings are held for diversification purposes. FFP's investment policy is to be a long-term minority shareholder, investing in companies with similar characteristics. In general, that means family-owned companies operating in markets with genuine growth potential and in which they are among the leading players. Before making an investment, FFP carries out research to check that the investee's ownership structure, strategy and values fit with its own.

FFP also has a portfolio of investments in private equity funds, which operate mainly in Europe and emerging-market countries, and which are consistent with FFP's long-term investment horizon. FFP makes co-investments alongside these funds.

FFP: an active shareholder

FFP sits on the Boards of Directors or Supervisory Boards of its investee companies. It plays an active role in the work done by their Boards and Committees. It aims to work effectively with the other shareholders and management bodies of its investee companies, paying particular attention to compliance with corporate governance rules, the selection of executives and strategic matters.

1.4 FFP's history

FFP was established in 1929. In 1966, following the Peugeot group's reorganisation, FFP became the group's main shareholder alongside the Peugeot family's other companies. In 1989, FFP was listed on the Nancy stock exchange and then the Paris stock exchange.

1810 1929 1966 1989 1996 1997 2002 2004 2005 2006

1810
A mechanical engineering business is set up in the Doubs region of France.

1929
Société Foncière, Financière et de Participations (FFP) is created.

1966
FFP is the largest shareholder of the Peugeot manufacturing group.

1989
FFP is listed on the Nancy stock exchange.

1996
FFP becomes a shareholder of **Compagnie Industrielle de Delle (CID)** and the largest shareholder of LISI.

1997
FFP invests in **Société du Louvre - Groupe du Louvre.**

2002
FFP buys shares of **Groupe Taittinger** and acquires a further 5% stake in **LISI**.

2004
FFP invests in **SEB SA**, **Linedata Services** and Spanish company **Fomento de Construcciones y Contratas SA (FCC)**.

2005
Alongside the founding family members and CNP, FFP sells shares in **Société du Louvre - Groupe Taittinger**.

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**.

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2007

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

2008

FFP invests in **DKSH**, a Swiss company that is a leading provider of business services in Southeast Asia. With other partners, FFP sets up **IDI Emerging Markets** to strengthen its presence in private equity funds operating in emerging markets.

2009

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

2010

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

2011

FFP takes part in the capital increase of **ORPEA**, a leading European dependency care provider, and helps Ipsos acquire Synovate by acquiring a stake in **Ipsos**' largest shareholder **LT Participations**. FFP exchanges its **PSA OCEANEs** for **Peugeot SA** shares. The Company simplifies its name and offically becomes "**FFP**".

2012

FFP supports a strategic transaction by Peugeot SA and takes part in its capital increase. FFP sells 35% of its stake in **DKSH** and most of its shares in **Linedata Services**.

2013

FFP sells a 0.8% stake in **DKSH** for €32 million, along with its remaining shares in Linedata. FFP joins forces with Louis Dreyfus Armateurs to build and operate four bulk carrier ships.

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**, a Mauritius-based conglomerate, and **IHS**, Africa's leading operator of telecom towers. FFP sells part of its **Zodiac Aerospace** shares following derivatives transactions initiated in 2012.

2015

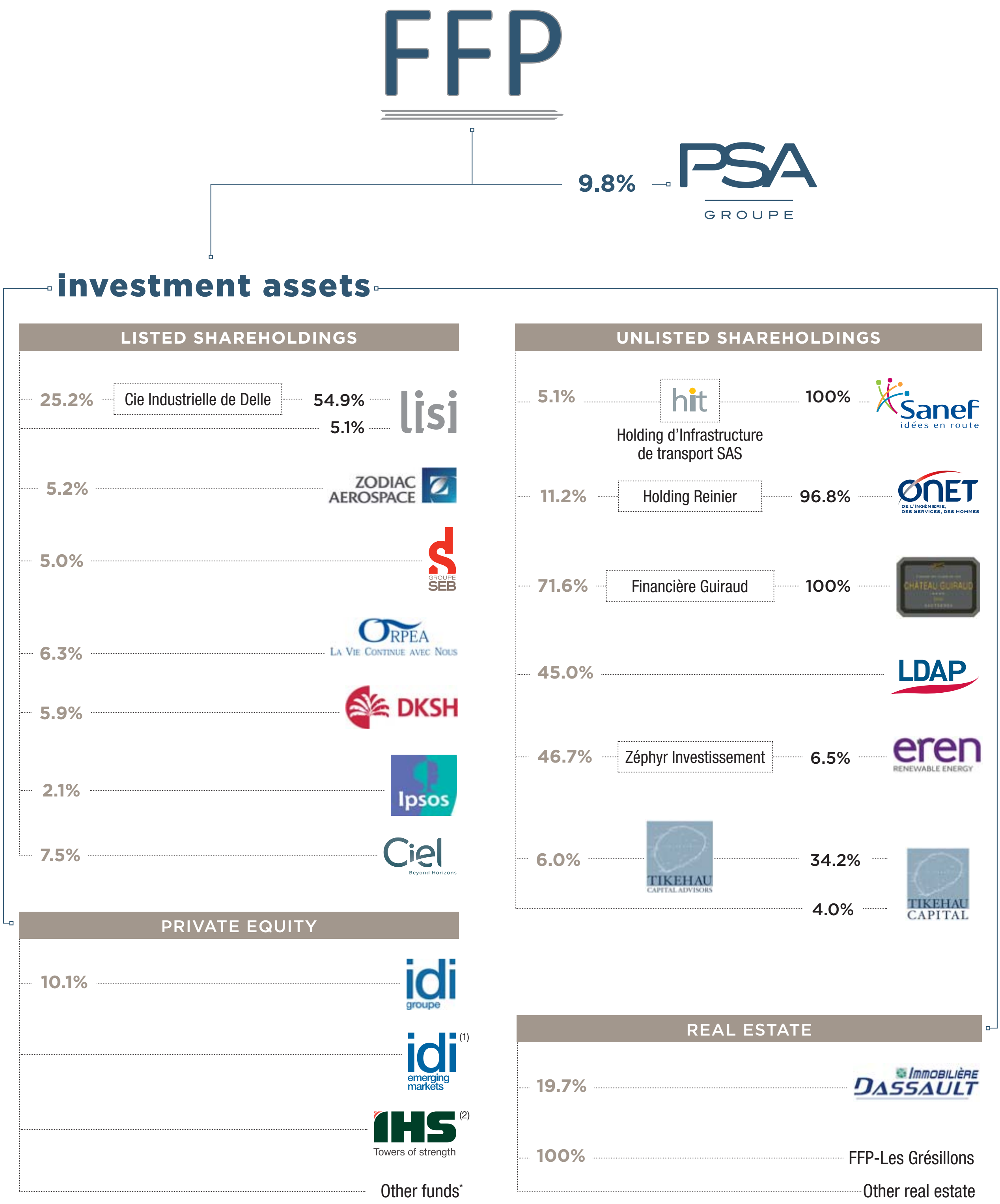
FFP acquires an additional 1.2% stake in **Zodiac Aerospace**, investing €77 million. FFP makes a commitment to invest €28 million in **EREN Renewable Energy** and carries out the first €14 million tranche of the investment. FFP prepares the sale of its stake in **ONET** for €45 million and monetises its **Peugeot SA** warrants for €197 million.

2016

FFP acquires a stake in asset manager Tikehau Capital via a €73 million investment. FFP invests €36 million in real-estate projects in the USA and Paris. In late 2016, FFP commits to investing $50 million in JAB CF Global Consumer Brand, a world leader in the tea and coffee market. Transactions to monetise Peugeot SA warrants were unwound in December 2016.

1.5 Shareholdings chart

At 31 December 2016



The percentages in this diagram reflect equity ownership.

* *Investment Assets are held by FFP INVEST, a wholly-owned subsidiary of FFP, or by its FFP Investment UK Ltd. subsidiary, with the exception of fund commitments made before 2012.*

(1) *IDI Emerging Markets consists of IDI Emerging Markets SA – a company with two subfunds in which FFP INVEST owns differing percentage equity stakes – and IDI Emerging Markets Partners–Fund III, its third investment vehicle.*

(2) *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.*

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1.6 Net Asset Value

At 31 December 2016

(in millions of euros)	*	% stake	Value	% of Gross Asset Value
PEUGEOT SA (A)		**9.8%**	**1,307**	**36%**
LISI	a)	5.1%	84	2%
CID (LISI)	b)	25.2%	232	6%
SEB SA	a)	5.0%	325	9%
Zodiac Aerospace	a)	5.2%	327	9%
ORPEA	a)	6.3%	293	8%
Ipsos	b)	2.1%	28	1%
CIEL group	a)	7.6%	19	1%
DKSH	a)	5.9%	249	7%
Unlisted shareholdings	c)		344	9%
Total shareholdings (I)			**1,900**	**52%**
Private equity funds	d)		252	7%
IDI	a)	10.1%	19	1%
Total private equity (II)			**271**	**7%**
Immobilière Dassault	a)	19.7%	52	1%
FFP-Les Grésillons	e)	100.0%	18	0%
Other real estate	c)		40	1%
Total real estate (III)			**110**	**3%**
Other financial assets and liabilities	a); f)		30	1%
Cash			6	0%
Total other assets (IV)			**36**	**1%**
GROSS ASSET VALUE OF INVESTMENT ASSETS (I) + (II) + (III) + (IV) = (B)			**2,317**	**64%**
GROSS ASSET VALUE=(A)+(B)			**3,624**	**100%**
DEBT (C)			**329**	
NET ASSET VALUE=(A)+(B)-(C)			**3,295**	
Net Asset Value per share			**€131.4**	

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

a) period-end market prices for listed assets;

b) the Net Asset Value of unlisted intermediate holding companies, calculated in a transparent way on the basis of period-end market prices for their listed holdings, without taking into account any control premium or discount;

c) for unlisted assets, a market value obtained either by discounting future cash flows or applying various multiple-based methods, including market multiples and transaction multiples or any methods specified in shareholder agreements; otherwise and where fair value cannot be measured in a reliable and appropriate manner, at historic cost, except where the Company's economic situation (operations, balance sheet, liquidity, etc.) has deteriorated significantly (see Note 1.6 to the consolidated financial statements);

d) the latest Net Asset 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 Investment Assets is published. Most of these private equity funds use the valuation rules established by the International Private Equity & Venture Capital Valuation Board;

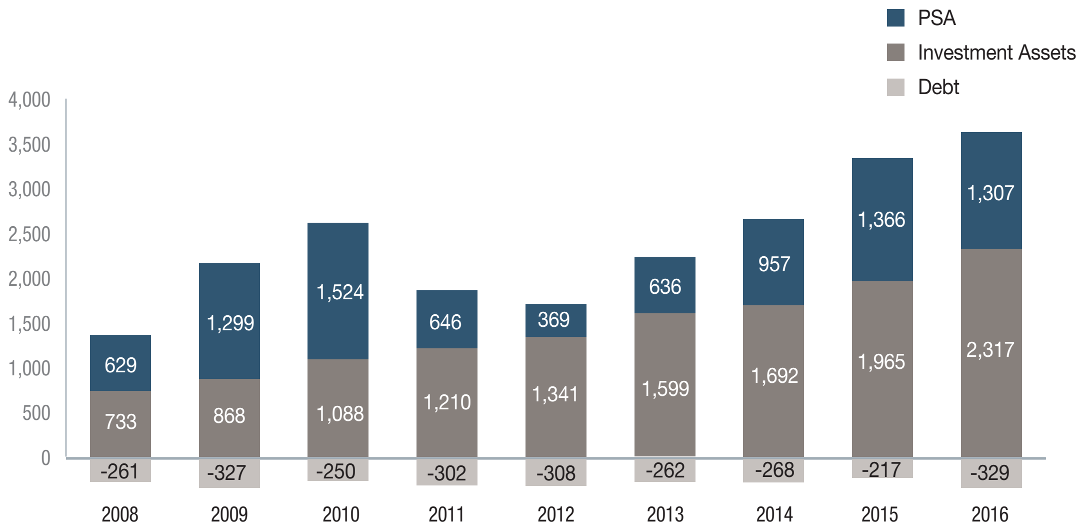
e) for unlisted real-estate assets, appraised values calculated once per year;

f) period-end Net Asset Values for UCITS included in Portfolio Investment Securities or cash and cash equivalents.

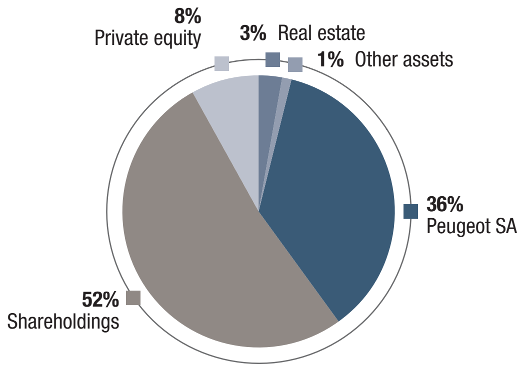
In the consolidated financial statements, shareholdings are measured at the values indicated above, except for consolidated companies, which are measured in accordance with consolidation rules (see Note 3 to the consolidated financial statements).

Debt is the sum of FFP's debt measured at nominal value, plus accrued interest and the time value of derivatives relating to assets. The number of FFP shares held in treasury is not material.

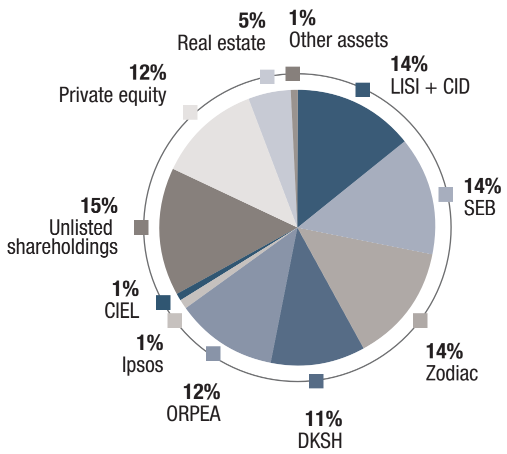
CHANGE IN NAV



BREAKDOWN OF ASSETS

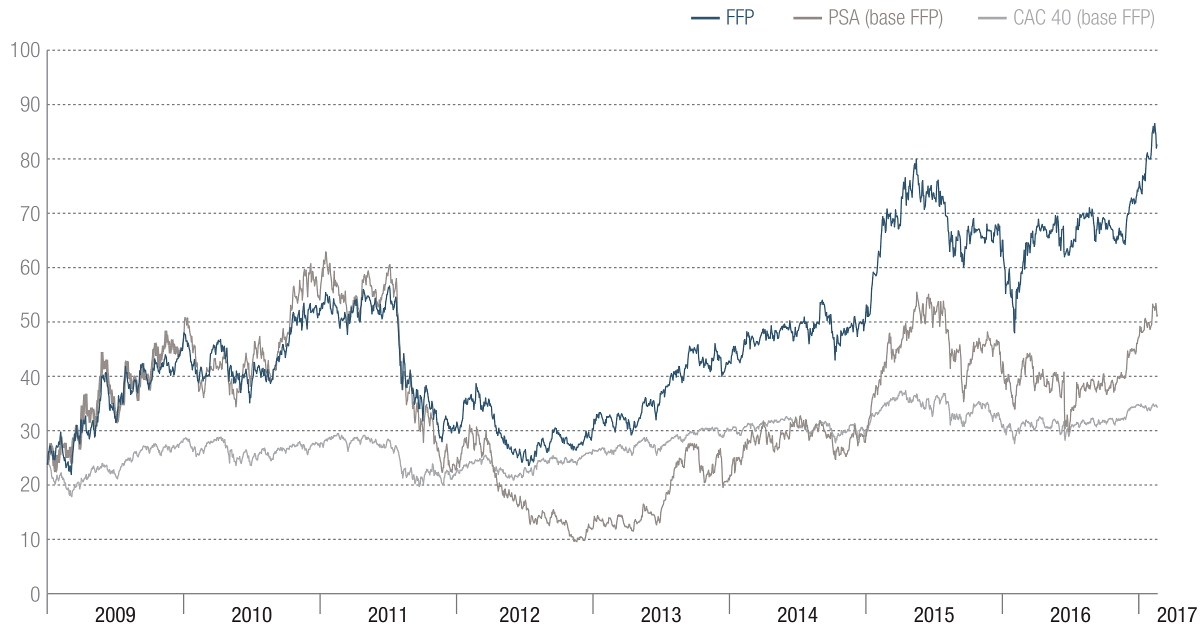


BREAKDOWN OF INVESTMENT ASSETS



1.7 Share price

Peugeot share price and CAC 40 relative to the FFP share price (base: 01/01/2009)



(in euros)	2010	2011	2012	2013	2014	2015	2016
At 31 December	51.3	30.6	29.0	42.2	50.0	68.0	72.3
High	53.5	56.6	38.7	46.0	54.0	80.0	72.8
Low	35.0	30.0	23.6	29.3	42.4	48.4	48.0
Average daily volume	14,569	16,072	9,946	9,280	6,027	6,495	5,126
Number of shares	25,159,073	25,157,273	25,157,273	25,157,273	25,157,273	25,157,273	25,072,589
Market capitalisation	1,290,660,445	770,567,272	729,560,917	1,061,636,921	1,257,863,650	1,710,694,564	1,811,494,555

1.8 Portfolio presentation

BUSINESS

The PSA Group is one of Europe's largest car manufacturers. As part of co-ordinated international strategies and a coherent product plan, its growth relies on three high-selling general car brands – Peugeot, Citroën and DS – each with its own worldwide reputation and distinct personality. Besides car manufacturing, the 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 is the majority shareholder). The Group retains a 25% interest in Gefco, a transport and logistics company.

In 2016, the Group's sales volume increased by 5.8% relative to 2015. In Europe, the Group's volume of vehicle sales increased by 3.6% relative to 2015. Sales of vehicles assembled outside Europe account for 39% of total sales. In China and Southeast Asia, the Group's vehicle sales volumes fell 16.0% in 2016. The Middle East & Africa region represents the Group's third largest market, with unit sales up 112.8% in 2016.

The Group's revenue came in at €54.0 billion in 2016, up 2.1% at constant exchange rates compared with 2015 but down 1.2% factoring in adverse exchange-rate movements. Revenue in the Automotive division rose 2.7% to €37.1 billion at constant exchange rates, due in particular to the success of recently launched models and higher prices. Including the effect of adverse exchange-rate movements, revenue fell 1.2%. FAURECIA's revenue totalled €18.7 billion, broadly unchanged relative to 2015 (-0.3%).

Recurring operating income rose 18.4% to €3,235 million, as opposed to €2,733 million in 2015. Recurring operating income in the Automotive division rose 18.9% to €2,225 million in 2016 – giving a margin of 6.0% – as opposed to €1,871 million in 2015 and €63 million in 2014. Recurring operating income was boosted by higher volumes, a positive price/mix effect, and reductions in overheads and production costs. FAURECIA's recurring operating income rose 16.9% to €970 million.

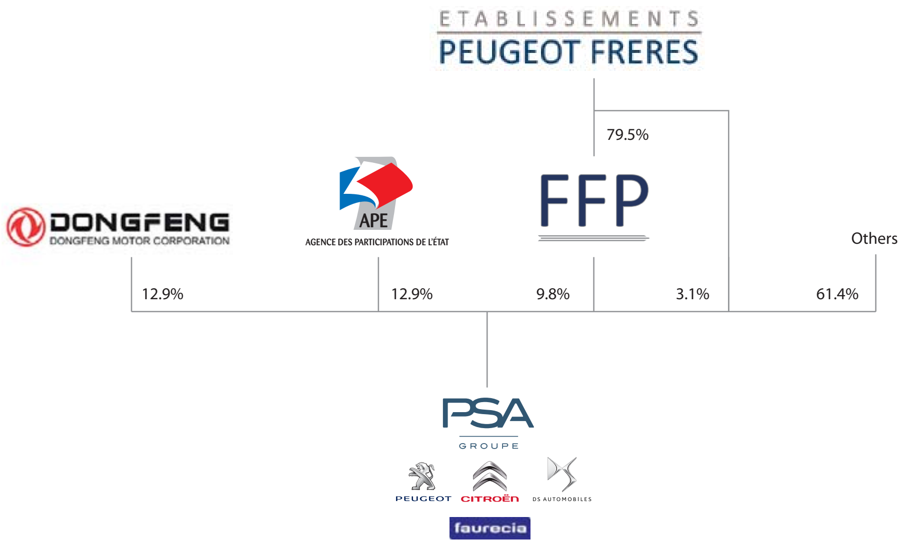
Free cash flow from the Group's industrial and commercial activities amounted to €2.7 billion versus €3.7 billion in 2015. The manufacturing and sales companies' net financial position at the end of the year was positive at €6,813 million, up €2,253 million relative to 31 December 2015. A dividend of €0.48 per share, the first since 2011, will be proposed to shareholders in the next AGM.

Based on these good results, the PSA Group has raised its targets for the "Push to Pass" plan, aiming to achieve recurring operating margin averaging over 4.5% in the Automotive division between 2016 and 2018 and 6% in 2021. The Group is also aiming to grow revenue by 10% between 2015 and 2018, and by a further 15% by 2021.

In 2017, the PSA Group expects the auto market to be stable in Europe, Latin America and Russia, and to grow by 5% in China. It is planning 121 product launches between 2016 and 2021, of which 31 will take place in 2017.

www.groupe-psa.com

OWNERSHIP STRUCTURE *(31/12/2016)*



FFP'S INVESTMENT

PSA's automobile business was founded by the Peugeot family. FFP invested €115 million in the group's 2014 capital increase and received 67 million warrants. In 2015, FFP sold 8 million of those warrants and monetised the remainder through derivatives transactions that were unwound in late 2016, since when FFP has not owned any PSA warrants.

At 31 December 2016, FFP and its majority shareholder Établissements Peugeot Frères (EPF) were one of the Group's three main shareholders, with 12.9% of its share capital and 16.4% of its voting rights. FFP owns 9.8% of PSA's share capital and 12.3% 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 at 31 December 2016.

Robert Peugeot represents FFP on the Peugeot SA Supervisory Board; he is Chairman of the Strategy Committee and a member of the Finance and Audit Committee. Marie-Hélène Peugeot-Roncoroni is Vice-Chairman of FFP's Board of Directors and Vice-Chairman of Peugeot SA's Supervisory Board, and she represents EPF on Peugeot SA's Supervisory Board. Frédéric Banzet, senior partner of FFP, is a non-voting member of the Supervisory Board.

MAIN FIGURES

(in millions of euros)		**2015**	**2016**
Automotive	Revenue	37,514	37,066
	Recurring operating income	1,871	2,225
	Margin	5.0%	6.0%
FAURECIA	Revenue	18,770	18,710
	Recurring operating income	830	970
	Margin	4.4%	5.2%
Others	Revenue	(1,608)	(1,746)
	Recurring operating income	32	40
PSA Group	**Revenue**	**54,676**	**54,030**
	Change	**6.0%**	**-1.2%**
	Recurring operating income	**2,733**	**3,235**
	Margin	**5.0%**	**6.0%**
	Net profit attributable to equity holders of the parent	899	1,730
	Net margin	1.6%	3.2%
	Net dividend (€)	0	0.48*
	Equity	12,219	14,618
	Net cash/(debt)	4,560	6,813

* *Proposed to the AGM.*
The results for 2015 reflect the reclassification of operations held for sale or to be continued in partnership.

lisi

www.lisi-group.com

BUSINESS

LISI is an acronym for Link Solutions for Industry. 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 AEROSPACE generated 63% of group sales in 2016, with revenue of €987 million. This division's revenue rose 6% relative to 2015, and was broadly unchanged at constant scope and exchange rates. In 2016, LISI Aerospace's European fasteners business saw strong growth due to the implementation of new programmes, which also boosted its structural components business.

LISI AUTOMOTIVE accounts for 30% of the group's sales with revenue of €465 million, up 2.5% at constant scope and exchange rates relative to 2015. Its flagship products are threaded fasteners, clip fasteners and mechanical components.

LISI MEDICAL was formed following the acquisition and merger of companies specialising in orthopedic and dental implants. It accounted for 8% of group sales in 2016, contributing €119 million to LISI's revenue, up 0.4% at constant scope and exchange rates. The division was strengthened by the integration of Remmele on 1 May 2016 ($70 million of revenue in 2015).

Although the aerospace business remained the main contributor to recurring operating income in 2016, accounting for 78% of the group total, margins in the automotive business improved for the fifth straight year (+1.7 point) and the medical division's contribution was boosted by Remmele.

Overall, LISI's revenue totalled €1,571 million, up 7.8% year-on-year or up 4.6% at constant scope and exchange rates. Recurring operating margin came in at 10.0%, in line with the group's normative target. The Company's financial position is solid, with net debt of €218 million at 31 December 2016.

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 – the largest shareholder in LISI – as a contribution from another Peugeot family group company.

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

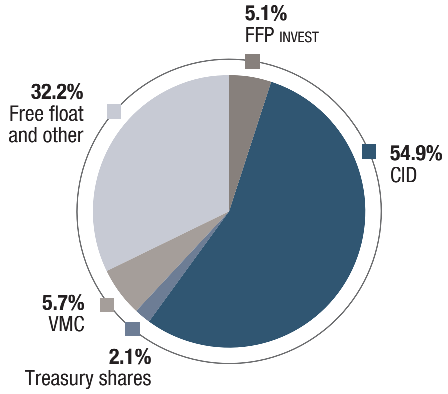
At 31 December 2016, the FFP group (via wholly owned subsidiary FFP INVEST) directly and indirectly owned 19% of LISI.

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 at 31 December 2016. LISI and CID are accounted for under the equity method.

Marie-Hélène Peugeot-Roncoroni is a director of LISI. Christian Peugeot is a director of CID and LISI. Thierry Peugeot and Xavier Peugeot are directors of CID. CID, represented by Thierry Peugeot, is a director of LISI.

OWNERSHIP STRUCTURE *(31/12/2016)*



FFP INVEST owns 25.25% of CID.

MAIN FIGURES

(in millions of euros)	2015	2016
Revenue	1,458.1	1,571.1
Change	11.6%	7.7%
Operating income	146.5	157.5
Margin	10.0%	10.0%
Net profit	81.8	107.0
Net margin	5.6%	6.8%
Net dividend *(€)*	0.39	0.45*
Equity	793.4	865.2
Net debt	156.6	218.0

* *Proposed to the AGM.*

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

ZODIAC AEROSPACE

www.zodiacaerospace.com

BUSINESS

Zodiac Aerospace was founded at the end of the 19th century, and originally specialised in inflatable products, particularly balloons and then boats. The aerospace equipment business became increasingly important through the 1970s, and in 2007 became Zodiac Aerospace's sole business. The group is now world leader in a number of products, including evacuation and arresting systems, aircraft seats and cabin equipment.

Revenue in the 2015/2016 financial year increased by 5.6% on a reported basis and by 1.3% at constant scope and exchange rates. There was no scope effect and exchange rates boosted revenue growth by 4.3 points. Recurring operating margin came in at 5.2%, down from 6.4% in the previous financial year. Recurring operating income was affected by additional costs incurred in the Aircraft Interiors business, to improve delivery performance for customers. That negative impact was partly offset by the contribution from the Aerosystems business.

Revenue in the first half of 2016/2017 totalled €2,445 million, down 1.8% year-on-year. The group is continuing its transformation and efforts to rescale and reduce costs, in order to restore past levels of profitability between now and the 2019/2020 financial year.

FFP'S INVESTMENT

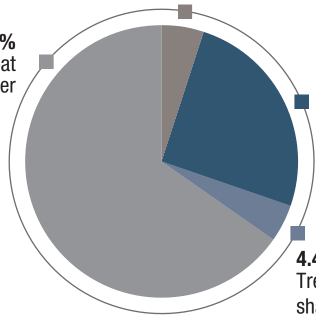
FFP acquired a 5.4% stake in Zodiac Aerospace in 2006 and 2007. In the first quarter of 2010, FFP acquired another 0.54% of the company's shares. The total amount invested was €152 million. In the third quarter of 2012, the FFP group (via its wholly owned FFP INVEST subsidiary) arranged hedging using derivative instruments, which expired on 14 March 2014 and resulted in a capital gain of €39 million. In September 2015, FFP INVEST acquired 3,352,000 additional shares in Zodiac Aerospace for €77 million, equal to 1.16% of the company's capital.

At 31 December 2016, FFP INVEST owned 5.2% 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 at 31 December 2016.

FFP INVEST, represented by Frédéric Banzet, is a member of the Zodiac Aerospace Supervisory Board.

OWNERSHIP STRUCTURE *(31/12/2016)*



* *Data at 31/08/2015*

MAIN FIGURES

(in millions of euros)	2014/2015	2015/2016
Revenue	4,931.8	5,208.6
Change	18%	6%
Recurring operating income	313.8	269.6
Margin	6.4%	5.2%
Net profit attributable to equity holders of the parent	184.8	108.1
Net margin	3.7%	2.1%
Net dividend *(€)*	0.32	0.32
Equity	3,004.0	3,217.6
Net debt	1,266.7	1,057.0

DKSH

www.dksh.com

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.

With more than 750 sites in Asia-Pacific plus 30 in Europe and the Americas, spread over 38 countries, and a specialised workforce of more than 30,320 employees, DKSH is one of the 30 largest Swiss companies in terms of sales and headcount.

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

Marketing activities are organised into four specialist divisions covering DKSH's areas of expertise: consumer goods, healthcare, performance materials and technology.

Although DKSH is a Swiss company with its head office in Zurich, it is deeply rooted in Asia-Pacific with a 150-year tradition of trading in the region.

In 2016, revenue grew by 4.5% and by 4.4% at constant scope and exchange rates. EBIT totalled CHF 293 million, an increase of 8.4% or 6.9% at constant exchange rates. The company generated CHF 128.8 million in free cash flow.

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 for a capital increase.

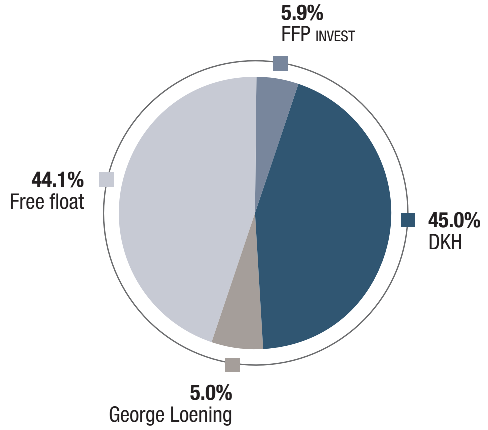
As planned in a shareholders' agreement signed at the time of the investment, DKSH floated on the stockmarket in 2012. At that time, FFP, along with the other shareholders, sold 35% of its stake for €91.6 million. In April 2013, FFP sold a 0.8% stake in DKSH for €32 million as part of a block disposal alongside other long-term shareholders.

At 31 December 2016, 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 at 31 December 2016.

Robert Peugeot is a member of the DKSH Board of Directors.

OWNERSHIP STRUCTURE *(31/12/2016)*



MAIN FIGURES

(in millions of Swiss francs)	2015	2016
Revenue	10,050.8	10,505.0
Change	2.4%	4.5%
Operating income	270.2	293.0
Margin	2.7%	2.8%
Net profit attributable to equity holders of the parent	202.6	208.6
Net margin	2.0%	2.0%
Net dividend *(CHF)*	1.3	4.5*
Equity	1,509.2	1,641.8
Net debt	(469.0)	(512.5)

* *Proposed to the AGM.*

GROUPE SEB

www.groupeseb.com

BUSINESS

SEB began life 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. 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 and home care. Today, the group sells its products in more than 150 countries, and China is its number one market, followed by France. It has substantial exposure to emerging markets, which account for 46% of revenue.

In 2016, the SEB group once again had to contend with mixed operating conditions and volatile exchange rates. Revenue totalled €5.0 billion in 2016, up 4.8% compared with 2015 and up 6.1% at constant scope and exchange rates. Operating income rose to €426 million from €371 million in 2015. Operating cash flow amounted to €452 million. Net debt ended the year at €2,019 million, including financing for the €1,655 million acquisition of WMF.

In 2016, the WMF acquisition (€1.1 billion of revenue) made SEB the world's leading producer of professional coffee machines, as well as strengthening its position in Germany and bolstering its global leadership in small domestic appliances. Together with the acquisition of EMSA (€85 million of revenue), WMF has given SEB critical mass in the global market for kitchen utensils and accessories.

FFP'S INVESTMENT

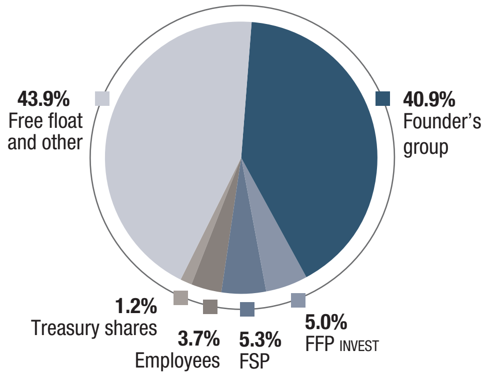
FFP acquired its first stake in SEB SA in the first half of 2004, investing €80 million for 5% of the equity.

At 31 December 2016, 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 at 31 December 2016.

FFP INVEST, represented by Christian Peugeot, is a SEB SA director.

OWNERSHIP STRUCTURE *(31/12/2016)*



MAIN FIGURES

(in millions of euros)	2015	2016
Revenue	4,770	5,000
Change	12.1%	4.8%
Operating income	371	426
Margin	7.8%	8.5%
Net profit attributable to equity holders of the parent	206	259
Net margin	4.3%	5.2%
Net dividend (€)	1.54	1.72*
Equity	1,908	1,836
Net debt	316	2,019

* *Proposed to the AGM.*

www.orpea.com

BUSINESS

ORPEA group is a European leader in dependency care (nursing homes), post-acute and psychiatric care clinics, and has complementary activities in serviced residences, day care, home-based services and day-time and night-time hospital services. Founded by Dr Jean-Claude Marian in the early 1990s, the company was floated in 2002. It operates more than 750 facilities, corresponding to almost 77,100 beds (including more than 9,100 beds in facilities under development) and employs 50,000 people. 43% of ORPEA's network is in France, with the rest being in Germany, Austria, Switzerland, Czech Republic, Belgium, Spain and Italy. ORPEA's business benefits from the long-term population ageing trend in European countries.

After acquiring SeneCura in Austria and the Czech Republic, and Celenus Kliniken, Residenz Gruppe Bremen and Vitalis in Germany in 2015, the group continued its development in Europe with further acquisitions: Medi-System in Poland, Vitalis in Germany and Sanyres in Spain. Through these deals, ORPEA increased the size of its network outside France by a factor or more than five between 2011 and 2016.

Revenue totalled €2,841 million in 2016, an increase of 18.8%, including organic growth of 6.0%. EBITDAR totalled €769 million, equal to 27.1% of revenue, and although EBITDAR margin was affected by recent acquisitions it improved by 30 basis points year-on-year excluding acquisitions. The company's real estate assets were valued at €4.1 billion at 31/12/2016 (excluding assets held for sale). In 2017, the company is aiming to grow revenue by 10% to €3,125 million.

FFP'S INVESTMENT

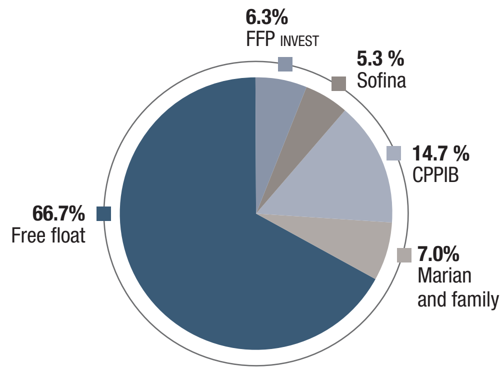
FFP invested in ORPEA in July 2011, buying some of its shares from the founder and others on the market. FFP increased its interest in ORPEA when the company carried out a €203 million capital increase in 2011.

At 31 December 2016, the FFP group (via its wholly owned FFP INVEST subsidiary) owned 6.3% of ORPEA's capital, representing a total investment of €115 million.

The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on the share price at 31 December 2016.

FFP INVEST, represented by Thierry Mabille de Poncheville, is a member of ORPEA's Board of Directors.

OWNERSHIP STRUCTURE *(31/12/2016)*



MAIN FIGURES

(in millions of euros)	2015	2016
Revenue	2,392.0	2,841.0
Change	23%	19%
Recurring operating income	304.0	348.0
Margin	12.7%	12.3%
Net profit attributable to equity holders of the parent*	153.0	258.0
Net margin	6.4%	9.1%
Net dividend *(€)*	0.9	1.0**
Equity attributable to equity holders of the parent	1,810.0	2,076.0
Net debt***	3,014.0	3,680.0
Net debt on real estate***	2,360.0	3,096.0
Value of real estate***	3,409.0	4,089.0

* *Excluding change in the fair value of share allotment entitlements embedded in ORNANE bonds.*

** *Proposed to the AGM.*

*** *Excluding the impact of assets held for sale.*

Ipsos

www.ipsos.com

BUSINESS

Ipsos is an international market research group with multiple specialities in advertising studies and marketing research, studies for customer/employee relations management, media studies (audience, content and technology), opinion and social research, and information collection and processing. In 2011, Ipsos acquired Synovate, thereby becoming the world's third biggest market-research group.

The company generated revenue of €1,783 million in 2016, up 3.0% in organic terms relative to 2015 but down 0.1% in reported terms, mainly because of exchange rates. Emerging-market countries accounted for 32% of the group's revenue in 2016. Operating margin rose slightly to 10.1% from 10.0% in 2015. Free cash flow amounted to €148.6 million. Net profit totalled €106.9 million. Net debt was €544 million at end-2016, €8 million lower than in December 2015. For 2017, management expects organic revenue growth to be similar to the 2016 level, with a slight improvement in operating margin and strong free cash flow generation.

FFP'S INVESTMENT

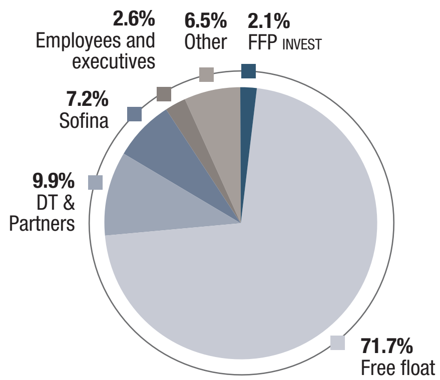
In September 2011, FFP acquired a stake in LT Participations, the holding company of Ipsos group's founders and the group's leading shareholder. FFP invested €22 million in an equity stake in LT Participations to fund part of LT Participations' subscription to an Ipsos capital increase. In 2016, LT Participations and Ipsos merged.

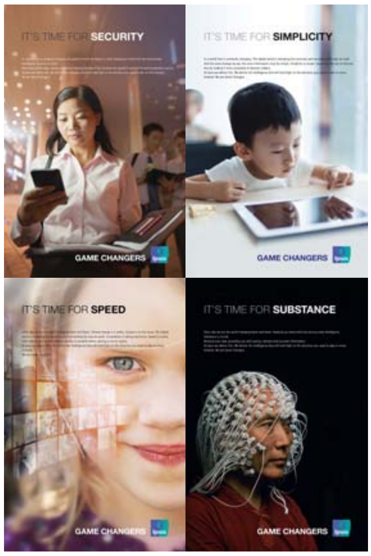
At 31 December 2016, the FFP group (via wholly owned subsidiary FFP INVEST) owned 2.1% of Ipsos' equity and 3.5% of its voting rights.

FFP INVEST is party to an agreement[1] that ensures the liquidity of Ipsos shares owned by FFP INVEST and gives FFP INVEST a seat on Ipsos' Board of Directors. The value of the shareholding, for the purposes of Net Asset Value and the consolidated financial statements, is based on Ipsos' share price at 31 December 2016.

FFP INVEST, represented by Sébastien Coquard, is a director of Ipsos.

OWNERSHIP STRUCTURE *(31/12/2016)*





MAIN FIGURES

(in millions of euros)	2015	2016
Revenue	1,785.3	1,782.7
Change	6.9%	-0.1%
Operating income	155.7	175.4
Margin	8.7%	9.8%
Net profit attributable to equity holders of the parent	93.0	106.9
Net margin	5.2%	6.0%
Net dividend (€)	0.80	0.85*
Equity	945.3	939.4
Net debt	552.0	544.0

* *Proposed to the AGM.*

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

www.sanef.com

BUSINESS

Sanef and its subsidiary SAPN manage 2,063 km of motorways in France, primarily the A1, A3, A13, A14, A16 and A29. This is a mature network covering strategic locations, including four of the six motorways providing access to Paris. Seasonality is low, the proportion of commercial traffic is higher than average and the network shows a good balance between types of traffic: suburban, city, leisure, business and international. Traffic on French motorways tends to track GDP. Concessions last for a limited term and are governed by a concession agreement that provides for inflation-linked rises in tariffs.

In 2016, the group's non-construction operating revenue totalled €1,659 million. Traffic rose 1.9% year-on-year in 2016, while prices were raised 0.8% in February 2016. "Motorway Stimulus Plan" amendments to the concession agreement were signed by the government and the company in 2015. For Sanef, they involve an investment programme of around €330 million in return for a 2-year extension to its concession and for SAPN, a €260 million investment programme in return for a 3-year 8-month extension to its concession. Accordingly, Sanef's concession agreement is now due to expire on 31 December 2031 and SAPN's on 31 August 2033.

FFP'S INVESTMENT

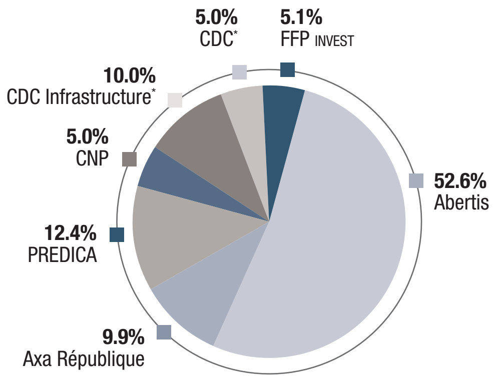
FFP invested €102.2 million in HIT, the company formed to bid for motorway operator Sanef when it was privatised, and now holds 5.1% of its capital via wholly owned subsidiary FFP INVEST. The motorway privatisation process launched by the French government in July 2005 resulted in a successful bid from the HIT consortium, whose majority shareholder is the Spanish firm Abertis, one of Europe's leading public-sector concession operators. HIT has owned 100% of Sanef since April 2006.

The FFP group (via wholly owned subsidiary FFP INVEST) is party to a HIT shareholder agreement(1).

The value of the HIT stake for the purposes of Net Asset Value and the consolidated financial statements is estimated using FFP's policies for valuing unlisted assets.

FFP INVEST, represented by Robert Peugeot, is a member of the Sanef Board of Directors.

OWNERSHIP STRUCTURE *(31/12/2016)*



* *In December 2016, the CDC group announced its intention to sell its stake.*

MAIN FIGURES

Key figures
2016 operating revenue: €1,659 million
Traffic up 1.9%

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

www.tikehaucapital.com

BUSINESS

Tikehau was founded in 2004 by Antoine Flamarion and Matthieu Chabran, and is an asset management and investment group focusing on debt products, real estate and equity funds. The group employs around 170 people across five offices (Paris, London, Brussels, Milan and Singapore).

It has achieved rapid growth and had €9.9 billion of assets under management at 31 December 2016, split between direct investment activities (Tikehau Capital and Salvepar) and asset management activities. The latter involve Tikehau Investment Management for private debt, real estate investment, bond management and diversified and equity management, and Tikehau Capital Europe for Collateralized Loan Obligations.

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

FFP'S INVESTMENT

In 2016, FFP INVEST invested €73 million in the Tikehau Capital group, mainly through capital increases. FFP INVEST owned a 6.0% equity stake in Tikehau Capital Advisors (TCA) at the end of 2016.

As well as its initial investment in TCA, FFP INVEST acquired a 5.2% stake in Tikehau Capital Partners, which has since been renamed Tikehau Capital (TC). After the reorganisation of the Tikehau group, which is partly aimed at simplifying the group's ownership structure and bringing its investment activities together under Tikehau Capital, FFP INVEST's stake in TC was 4.0% at end-December 2016. The reorganisation will continue in 2017.

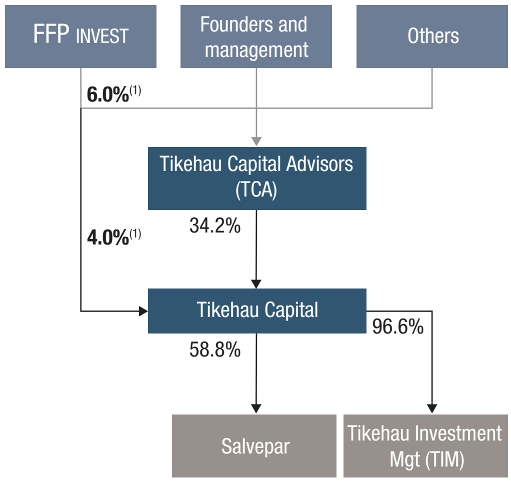
The FFP group (via wholly owned subsidiary FFP INVEST) is party to a TCA shareholder agreement[(1)].

At 31 December 2016, the FFP group (via its wholly owned subsidiary FFP INVEST) owned 6.0% of TCA's equity and 4.0% of Tikehau Capital's equity.

The value of the TCA and TC stakes for the purposes of Net Asset Value and the consolidated financial statements is estimated using FFP's policies for valuing unlisted assets.

FFP INVEST, represented by Robert Peugeot, is a member of Tikehau Capital Advisors' Board of Directors.

OWNERSHIP STRUCTURE *(31/12/2016)*



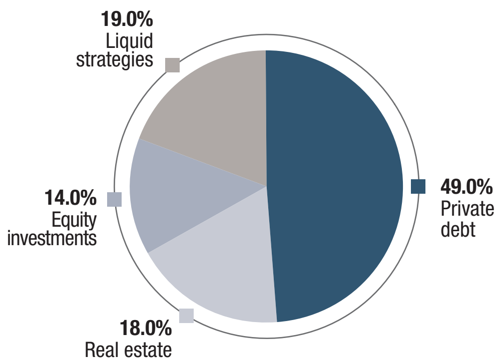
(1) % held directly by FFP INVEST.

MAIN FIGURES

(in millions of euros)	31/12/2015	31/12/2016
Assets under management*	6,353	9,950
Dividend *(€ per share)**	0.70	-

* *Figures for Tikehau Capital.*

BREAKDOWN OF TIKEHAU CAPITAL'S ASSETS UNDER MANAGEMENT *(31/12/2016)*



Pro forma data taking into account structural reorganisational transactions commenced in late 2016.

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

www.groupeonet.com

BUSINESS

ONET was established in the 1860s as a handling operations company in the port of Marseille. In 1930, it decided to specialise in cleaning services. It is now the French market leader in providing cleaning and related services to companies and a major player in the extreme environment technologies, health and safety, temporary work and recruitment sectors. It has 65,000 employees and a network of 300 local branches.

2016 revenue amounted to €1,695 million, up 6.7% year-on-year. Recurring operating income rose to €51 million from €37 million in 2015.

FFP'S INVESTMENT

ONET has been listed since 1987, and was previously owned by two branches of the founder's family: the Reiniers and the Fabres. In June 2007, the Fabre family indicated it would be willing to sell its stake. The Reinier family chose FFP as a long-term partner to buy out the Fabre shares and take the company private. FFP and the Reiniers decided to bring in around a hundred of the company's managers as investors in this new phase for the Marseille-based family group. FFP's initial investment was €72 million. Holding Reinier holds 96.7% of ONET's shares.

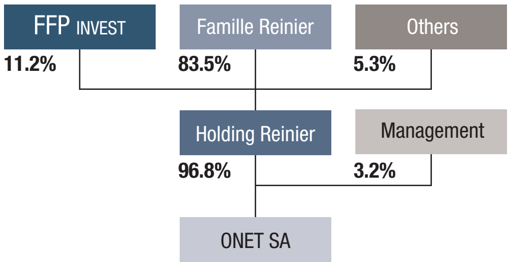
FFP group (via wholly owned subsidiary FFP INVEST) owned 11.2% of the equity and voting rights of Holding Reinier at 31 December 2016 following the disposal of half of its stake at the beginning of 2016.

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

The value of Holding Reinier for the purpose of Net Asset Value was estimated using FFP's policies for valuing unlisted assets.

Alain Chagnon is a director of Holding Reinier. FFP INVEST, represented by Alain Chagnon, is a member of ONET SA's Supervisory Board.

OWNERSHIP STRUCTURE *(31/12/2016)*



MAIN FIGURES

(in millions of euros)	2015	2016
Revenue	1,588	1,695
Change	8.3%	6.7%
Operating income	37	51
Margin	2.4%	3.0%

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

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 27,000 employees. The group has been listed on the Official Market of the Stock Exchange of Mauritius since January 2014.

NAV per share was stable in 2016 and the investment portfolio was worth MUR13,779 million at 31 December 2016.

FFP'S INVESTMENT

In 2014, FFP subscribed to the reserved rights issue of the CIEL group 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.

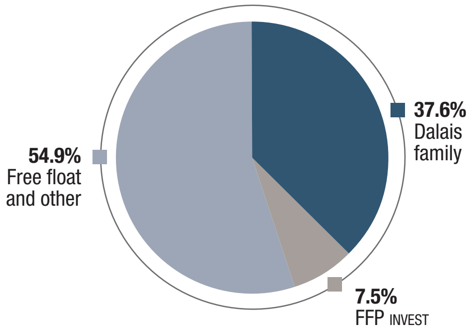
At 31 December 2016, the FFP group (via its wholly owned FFP INVEST subsidiary) held a 7.5% equity interest.

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 at 31 December 2016.

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

OWNERSHIP STRUCTURE *(31/12/2016)*

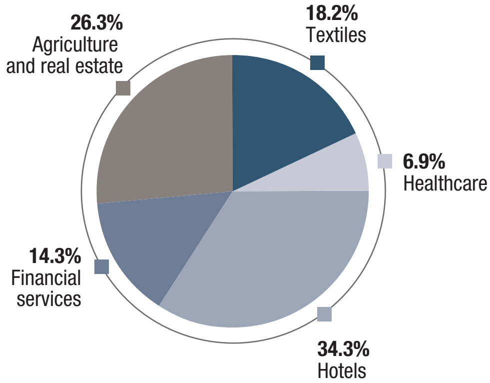


MAIN FIGURES

(in millions of MUR)	30/06/2016*	31/12/2016*
Revenue	18,533	10,044
Operating income	1,986	1,104
Margin	10.7%	11.0%
Net profit	1,182	671
Net margin	6.4%	6.7%
Dividend *(MUR per share)*	0.18	-
Equity	23,584	23,863
Net debt	13,286	14,621

* *Period ended 30/06. Figures at 30/06/2016 are therefore for a full year, and those at 31/12/2016 are for the first half of the 2016/2017 financial year.*

BREAKDOWN OF INVESTMENTS
(31/12/2016)



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

EREN RENEWABLE ENERGY

BUSINESS

EREN Renewable Energy (EREN RE) was founded in 2012 by Pâris Mouratoglou and David Corchia and is based in Paris. It is acknowledged to have a unique expertise in the renewable energies sector. Working with exclusive local partners, the company is establishing positions in high-potential emerging-market countries, in geographical areas that have major wind or solar resources and are seeing growing energy demand.

In only four years, EREN RE has gathered a substantial and diverse portfolio of assets (wind, solar and hydro) representing gross capacity of more than 500 MW in operation or under construction at 31 December 2016. The assets are mainly located in France, Greece, Brazil, Uganda and India. EREN RE is also developing a portfolio of projects with capacity of around 1,500 MW in Asia, Africa and Latin America.

FFP'S INVESTMENT

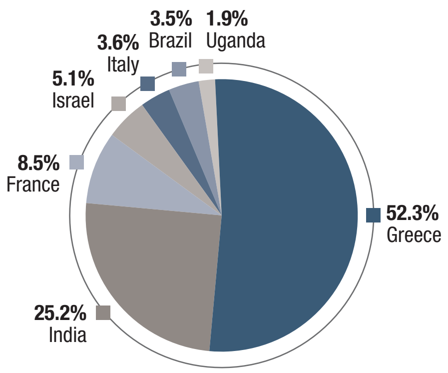
In October 2015, FFP, via its wholly owned FFP INVEST subsidiary, invested €28 million as part of EREN RE's €195 million fundraising round. The first tranche of €14 million has already been called. EREN RE will be able to call the second €14 million tranche until the end of 2017.

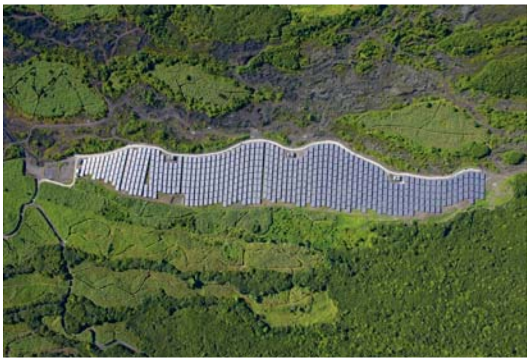
FFP INVEST is party to a shareholder agreement[(1)]. FFP INVEST's investment is taking place through a joint venture with Salvepar called Zéphyr Investissement, which owns 6.5% of EREN RE. Zéphyr Investissement is 47%-owned by FFP and 53%-owned by Salvepar.

EREN RE is valued at cost for the purpose of Net Asset Value. Zéphyr Investissement is accounted for under the equity method in the consolidated financial statements.

BREAKDOWN OF NET CAPACITY

(IN OPERATION AND UNDER CONSTRUCTION, MW, 31/12/2016)





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

Private equity

At 31 December 2016, FFP had invested €252 million(1) in private equity funds, representing 10.9% of the Gross Asset Value of Investment Assets and 7% of FFP's Gross Asset Value.

Since 2002, FFP has invested in private equity funds. 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) funds, development capital funds and venture capital funds, which invest in Europe, emerging-market countries (India, China, Africa and the Middle East, along with markets in which IDI Emerging Markets invests) and the USA.

Since 2014, the aim has been for the portfolio to have a balanced geographical position across three regions: North America, Europe and emerging-market countries. Alongside the main strategy of 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 venture capital/technology growth capital, mezzanine and senior debt, impact investing/sustainable development and real estate funds. FFP makes co-investments alongside certain funds.

2016 was another very busy year for the private equity business. FFP committed over €77 million to several new funds (excluding co-investments), including €63 million to buyout (LBO) and development capital funds and around €15 million to adjacent unlisted asset classes.

FFP committed $15 million to the Advent International VIII fund.

In the USA, FFP committed $15 million to the Vista Foundation III fund.

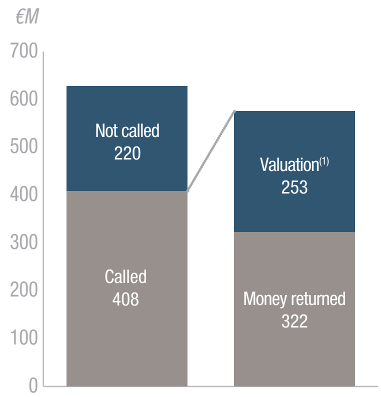
In Europe, FFP committed to two LBO funds: €10 million to French fund Montefiore IV and €10 million to German fund DBAG VII. FFP also committed to two technological growth capital funds, i.e. €10 million to French fund Keensight IV and $5 million to the Israeli fund JVP Opportunity VII.

In emerging markets, FFP committed $10 million to the pan-African fund ECP Africa IV, and $5 million to Chinese fund ClearVue Partners II.

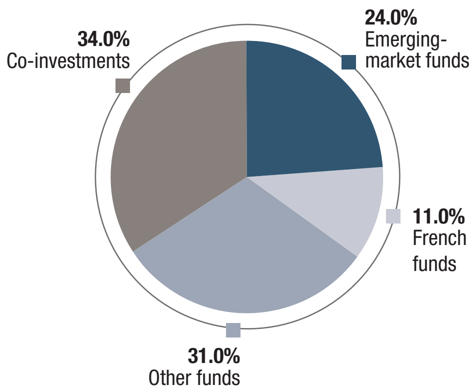
In 2016, calls for funds (excluding co-investments) amounted to €48 million. Funds carried out a number of disposals, leading to distributions of around €44 million in 2016.

Two co-investments were also signed in 2016. FFP invested alongside PAI Partners in Roompot, the Netherlands' leading holiday park operator. Of the €11 million investment, €8.8 million was called in 2016. At the end of 2016, FFP committed to invest $50 million in JAB CF Global Consumer Brand, the co-investment vehicle of JAB Holding, a world leader in the coffee and tea market. The investment commitment was signed in late 2016, and the first capital calls will take place in 2017.

COMMITMENTS*

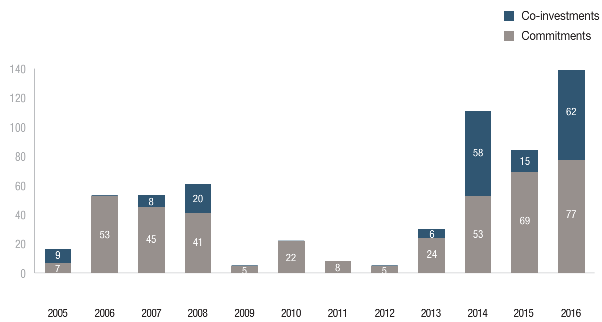


EXPOSURE(1) (2) BY TYPE OF FUND *(in millions of euros)*



NEW COMMITMENTS BY VINTAGE YEAR

(in millions of euros)



* *When FFP makes a commitment to a private equity fund, it undertakes to invest the committed amount. The fund makes gradual capital calls as investment opportunities arise. The company that manages the fund provides valuations of assets in which it has invested. Stakes in investee companies are later sold and the disposal proceeds are distributed among the fund's investors. For each fund, therefore, FFP has an initial commitment, broken down into a called amount and an uncalled amount (which together equal the initial commitment), a periodic valuation of its investment and a returned capital amount if the fund has already started making disposals.*

(1) *When calculating Net Asset Value, FFP values funds at their reported Net Asset 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.*

IHS
Towers of strength

www.ihstowers.com

BUSINESS

IHS was set up in 2001 and operates in all parts of the value chain in the telecoms tower sector, with activities including construction, rental and maintenance. From its initial base in Nigeria, IHS has expanded through acquisitions and now also operates in Cameroon, Ivory Coast, Zambia and Rwanda. IHS managed more than 21,000 towers at end-2016. IHS is the leading telecom tower operator in the Europe, Middle East and Africa region, and it directly employs around 1,700 people.

FFP'S INVESTMENT

In 2014, FFP invested $20 million in IHS Holding alongside the Emerging Capital Partners (ECP) fund, after an initial $5 million investment in 2013. FFP has also invested $52.5 million alongside Wendel, IHS' main shareholder, which holds 36% of its voting rights.

The value of the IHS stake for the purposes of Net Asset Value and the consolidated financial statements is estimated using FFP's policies for valuing unlisted assets.

idi

www.idi.fr

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 (proprietary investments); venture capital, funds of funds in Europe, and debt funds via IDInvest Partners (third-party funds); as well as in funds of funds and development capital in emerging countries via IDI Emerging Markets (third-party funds). The group managed assets worth nearly €7.4 billion in 2016.

FFP'S INVESTMENT

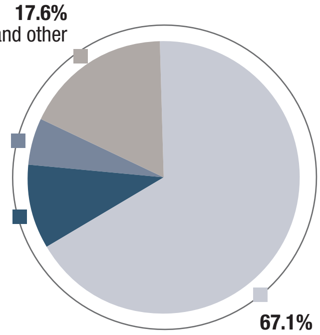
In 2006, following the merger between IDI, Euridi and Marco Polo Investissements, FFP owned 5.0% of IDI. In 2007, FFP increased its stake by investing €15.5 million as part of a capital increase.

At 31 December 2016, the FFP group (via its wholly owned FFP INVEST subsidiary) 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 at 31 December 2016.

FFP INVEST, represented by Alain Chagnon, is a member of IDI's Supervisory Board.

OWNERSHIP STRUCTURE *(31/12/2016)*



MAIN FIGURES

Key figures (30/06/2016)	
Net Asset Value per share	€34.53
First-half net profit	€4.4 million

CHÂTEAU GUIRAUD

www.chateauguiraud.com

BUSINESS

Château Guiraud is a maker of Sauternes wine that is designated as "premier 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 seek 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 of the year. In 2014, its 2011 vintage ranked 12th in the same magazine's top 100 wines.

Revenue from wine sales totalled €3.9 million in 2016 as opposed to €2.3 million in 2015.

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 71.6% of Financière Guiraud SAS[1].

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

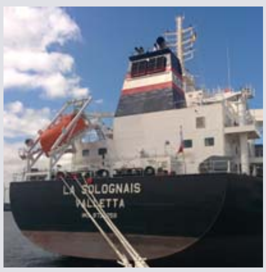
LDAP

www.lda.fr

BUSINESS

FFP formed a partnership with the family-owned Louis Dreyfus Armateurs (LDA) group to found LDAP. LDA is a French maritime group that has been operating for 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 FFP INVEST subsidiary), has 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



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

LDAP is valued at cost for the purposes of Net Asset Value and the consolidated financial statements, as the vessels were delivered during 2015 and were only in service for a short period, particularly compared with their potential useful lives of almost 30 years. Falling freight prices adversely affected LDAP's business performance in 2015 and 2016 and the stake was written down in 2016 to the extent of losses incurred during the period.

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

IMMOBILIÈRE DASSAULT

www.immobiliere-dassault.com

BUSINESS

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

In the last few years, Immobilière Dassault has continued its policy of refocusing on prime office and retail properties. In 2015, it sold its office building located at 18 avenue Winston-Churchill in Charenton-le-Pont, receiving net proceeds (excluding taxes and transfer duties) of €21 million, while renovation work was completed on the building located at 230 Boulevard Saint-Germain in the 7th arrondissement of Paris. That building came back into use in late 2015 and is now fully let.

At constant scope, rental income rose 10.2% year-on-year to €15.8 million in 2016, and the occupancy rate is 98%.

The increase in the value of the company's portfolio (excluding transfer duties) positively impacted operating profit by €27.7 million in 2016. Net profit totalled €38.5 million. Management will propose an ordinary dividend of €1.20 per share plus a special dividend of €0.96 per share to shareholders in the AGM.

FFP'S INVESTMENT

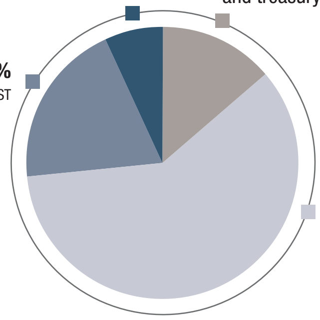
In the first half of 2006, FFP and the Dassault family decided to transfer part of their real-estate assets to Immobilière Dassault.

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 at 31 December 2016.

Jean-Philippe Peugeot is a member of Immobilière Dassault's Supervisory Board.

OWNERSHIP STRUCTURE *(31/12/2016)*



MAIN FIGURES

(in millions of euros)	2015	2016
Appraisal value of the real-estate portfolio	411.3	439.4
Net Asset Value per share *(€)*	48.5	52.7
Net profit	35.5	38.5
Dividend *(€ per share)*	1.9	2.2*

* *Proposed to the AGM.*

1.9 Employee-related, environmental and social information

FFP intends 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.

Governance

The company adopted an ESG approach in 2016. A steering committee was set up, with various representatives of functional and operational departments, i.e. the Legal Department, the Investment Department and the Financial Department. This Committee co-ordinates FFP's approach and is gradually making ESG criteria an integral part of FFP's activities and business lines.

ESG Charter

In 2016, FFP adopted a Responsible Investor Charter. This charter sets out the values of the company 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.

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

FFP assesses ESG risks and opportunities throughout the lifecycle of its direct and indirect investments.

DIRECT INVESTMENTS

- At the time of acquisition:

  When FFP is looking into acquiring a stake, it carries out due diligence on environmental and workforce-related issues on a case-by-case basis, depending on the company's risk profile.
- Working with companies over the long term:

  In 2016, FFP analysed the responsible practices of its listed and unlisted investees by carrying out a document-based audit of their commitments, supplemented by a CSR (corporate social responsibility) questionnaire. The questionnaire will be submitted to companies every year. It will allow FFP to collect CSR information and monitor efforts made and progress achieved by all companies in the portfolio. A brief presentation of investees' main CSR issues and particular features is set out below.

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 is sent to the asset management companies, based on market best practice;
- when subscribing to a fund, FFP includes a specific ESG clause into the legal documentation;
- during the fund's life, FFP encourages its partner asset management companies to factor ESG criteria into their activities and those of their investee companies.

In 2016, FFP made commitments to 8 new private equity funds.

6 partner funds are already taking into account ESG criteria in the following way:

- 4 funds have adopted an in-house ESG Charter;
- 3 funds are signatories to the United Nations 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. Two asset managers have also asked their investees to sign a code of conduct and business ethics, and have included an ESG clause into their shareholder agreements;
- 5 funds have appointed a representative in charge of ESG matters.

2 of the 8 funds have not yet factored in these criteria because of the sectors in which they invest (e-commerce, software, etc.) and their investees' stage of maturity (start-ups).

FFP has also made commitments to 2 funds focusing on sustainability and impact investing: Impact Partenaires and Alter Equity.

FOCUS

The ESG commitments of PAI, one of FFP's partner investment funds

PAI has been working on implementing an ESG strategy since signing the Principles for Responsible Investment[1] (PRI) in 2010.

- PAI's investment strategy is based on holding majority stakes and taking a long-term view of value creation. The group has made the following commitments[2]:
  - integrating ESG within investment processes;
  - ensuring timely improvement in ESG performance;
  - providing transparent information and ESG performance indicators to investors;
  - promoting ESG among peers and the investment industry.

PAI has therefore formalised its policy by factoring ESG criteria into its whole investment cycle[3]:

- before investment:

The team in charge of ESG works with investment teams when carrying out due diligence and prepares its own memorandum for each new investment opportunity. The memorandums are discussed in Investment Committee meetings;

- after investment:

A set of measures is adopted to enhance the ESG performance of the newly acquired company: audits, definition of an action plan, dedicated monitoring and support based on ESG issues specific to each company.

Since 2015, PAI has stepped up its commitment by installing reporting software that includes around 150 ESG indicators. The aim is to improve data tracking and monitor the progress plans of investee companies.

Along with four other asset management companies, PAI has founded Initiative Carbone 2020 (IC20), a pioneering initiative in the private equity industry that has already attracted around 15 investment funds wanting to factor climate issues into their investment decisions.

In 2016, PAI carried out a full audit of its portfolio's carbon footprint, in order to help investees support the transition to a low-carbon economy and in order to anticipate more effectively risks and opportunities related to climate change.

Involving stakeholders

PAI encourages investees to engage in dialogue and share best practice through meetings and workshops organised as part of the "PAI Sustainability Club".

PAI has also set up the ESG Lab, a collaborative workshop intended to gauge its investors' expectations. Its first meeting took place in January 2017 and dealt with two themes: ESG reporting and climate-change issues.

(1) For more information: https://www.unpri.org/about/the-six-principles.
(2) For more information about its commitments: https://www.paipartners.com/responsibility/our-commitments/
(3) PAI's ESG report: http://www.paipartners.com/presentations/ESG2016/#14

Holistic value creation

As a responsible investor and shareholder, FFP seeks to create value for society. It naturally 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 realises its social 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 two impact investing funds.

Ecosystem

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

CSR at FFP

FFP operates in a competitive environment that is constantly changing. The commitment of its staff and their respect for the company's values help drive the company's overall performance.

A SMALL TEAM

The Company's current headcount stands at 18 (10 men and 8 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 2016, three new employees joined and two existing employees left the Company. The age range was between 31 and 66 years at 31 December 2016. With the exception of the Chairman and Chief Executive Officer, all employees hold a permanent employment contract. FFP had no temporary staff and no part-time workers at 31 December 2016. The Company has to abide by French legislation on the 35-hour work week. That said, the majority of its employees have manager status.

TRAINING AND PROFESSIONAL DEVELOPMENT

Employees received 28 hours of training in 2016, mainly in the areas of finance, accounting and languages.

ORGANISATION OF WORKING HOURS

The company did not experience any absenteeism problems among its staff in 2016.

There were no work accidents in 2016.

REMUNERATION AND BENEFITS

FFP's payroll amounted to €2,660,898 in 2016 (versus €3,078,507 in 2015) and social security costs totalled €1,644,126 (versus €1,721,449 in 2015).

Employees and corporate officers benefit from an incentive agreement. A sum of €129,169 was paid under this agreement in 2016. 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 Établissements Peugeot Frères, 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 2016, an incentive agreement and an agreement on the introduction of "chèques-vacances" holiday vouchers were signed.

An amendment to the collective agreement introducing supplementary healthcare cover was signed 2014.

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.

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.

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 environmental, social and governance (ESG) factors.

Investing responsibly: CSR at listed investees

In this section, please note the following:

As listed companies, Peugeot SA, Ipsos, SEB SA, LISI, ORPEA, Zodiac Aerospace and Immobilière Dassault publish exhaustive information about their CSR approaches in their registration documents. Those CSR policies are reviewed by independent third-party organisations in accordance with Grenelle II regulations.

The CIEL group, listed on the Stock Exchange of Mauritius and Swiss group DKSH, listed on SIX Swiss Exchange, are not subject to French CSR reporting regulations.

The information below is presented for information only and illustrates the main features of the CSR approaches taken by FFP's listed investees. The information comes from the CSR questionnaire that FFP sends to all its investees. As a responsible investor, FFP wants to boost the holistic value creation of all its investees and ensure that it continues over the long term.

Peugeot SA

CSR APPROACH

Peugeot SA 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.

That commitment has three aspects: promoting sustainable mobility, supporting the economic development of its communities and implementing innovative workforce-related practices. Its CSR approach involves 28 issues regarded as "material", taking into account the expectations of stakeholders.

GOVERNANCE

- Proportion of directors who are independent: 50%
- Proportion of directors who are female: 46%
- Ethics Charter available on the group's website
- CSR issues are validated and monitored by Executive Committee members, and these efforts are backed up by staff on the ground through operational action plans

2016 HIGHLIGHTS

Sustainable mobility: launch of the Free2Move brand

As regards sustainable mobility, the group's ambition is to become its customers' preferred provider of travel services as part of a Core Mobility Services Strategy. The PSA Group believes that it has a major role to play as a provider of solutions. Its strategy is based on a clear commitment:

- focusing a huge amount of R&D resources on solutions that reduce its vehicles' polluting emissions and that make its technologies widely available at a cost that is acceptable to customers, in order to have a real environmental impact;
- operating in strategic segments of new mobility solutions by acquiring stakes in start-ups.

In 2016, the PSA Group launched a new brand – Free2Move – which is carrying out experiments in sustainable and collaborative mobility. Peugeot SA invited stakeholders to its Mobility Days on 8 and 9 September 2016 in Paris, to present to them its new "Shared, Safe and Sustainable" mobility solutions.

Free2Move is being implemented at the operational level through a platform that combines all of the group's new mobility services:

- Free2Move Car Sharing;
- Free2Move Smart Services, which aim to make customers' lives easier and save them time;
- Free2Move Fleet Sharing and Free2Move Fleet Management for company vehicle fleets;
- Free2Move Lease, providing financial solutions that make vehicles more affordable.

Peugeot SA has set a target of generating €300 million of revenue in 2021 from its consumer car-sharing, business fleet management and car-sharing, connected after-sales and big data activities.

On 28 September 2016, Peugeot SA also announced that it had acquired a stake in Communauto, a major player in the North American car-sharing market, alongside the Montreal-based investment fund MacKinnon, Bennett & Co. (MKB). This partnership is part of the Push to Pass strategy, and has two objectives: meeting customers' various mobility needs, particularly via car-sharing, and moving into the North American market with a mobility services offering.

Environment: publication of actual fuel consumption results certified by an independent third party

To ensure transparency with respect to its customers, the PSA Group has decided to publish, for its main vehicles, fuel consumption figures collected in real driving conditions under the supervision of an independent third-party organisation. In that initiative, it worked with two French NGOs: Transport & Environnement and France Nature Environnement. Together, they devised a measurement protocol, certified by Bureau Veritas.

Results have been published since Spring 2016 on the websites of the Peugeot, Citroën and DS brands. Consumers therefore have access to an independent, certified measurement of their fuel consumption in real conditions. This initiative remains the only one of its kind at the moment.

Workforce-related: signature of the "Nouvel Élan pour la Croissance" agreement with five unions

On 8 July 2016, the PSA Group and its staff representative bodies (five unions representing more than 80% of its employees) signed an agreement called "Nouvel Élan pour la Croissance" (new impetus for growth). The agreement is intended to accompany the deployment of the Push to Pass strategy and make it more effective, to make the company more able to act in the interests of its employees. Through this agreement, the PSA Group wanted to go beyond usual negotiation practices, by sharing at an early stage the company's strategy for accompanying current changes. In particular, Peugeot SA made a commitment that 85% of activities relating to technological innovations would be carried out in France. The group is also implementing a proactive policy in favour of employing young people, involving 2,000 young people per year, through a new "Contrat de Génération" (cross-generation contract).

QUANTITATIVE AND QUALITATIVE INDICATORS

Workforce-related

Total workforce - Automotive division Male/female breakdown:	90,338 18.6% women
Total number of joiners	3,964 fixed-term and 1,791 permanent
Total number of training hours	1,568
Accident frequency rate	The frequency rate (including temp staff) was 1.16 in 2016 versus 1.18 in 2015 and 1.38 in 2014.
Accident severity rate	The severity rate was 0.13 in 2016 versus 0.16 in 2015 and 0.15 in 2014.
Incentive policy, including share ownership	■ Employees are given an interest in the group's results through collective performance-related bonuses. ■ In 2016, an exceptional incentive payment was made to employees in France and bonuses were paid in other countries. €34 million was paid out across all employees. ■ The CLPI (Collective Local Performance Incentive) has been in force since 2016 in European countries other than France, along with Turkey, Algeria and Japan. The CLPI aims to give all group employees an interest in local performance, through common annual targets relating to economic and commercial results. ■ Savings plans are also offered to employees in five countries: France, Spain, Portugal, Germany and the United Kingdom. These arrangements allow employees to invest in the group's shares year-round.
Support for charitable projects	The group Foundation has supported 470 projects since its creation in 2011, and has donated €10.3 million to public interest organisations. In 2016, the Foundation supported 22 community garages in France.

Environment

Water consumption	A total of 8,222,483 m^3, i.e. 3.81 m^3 per vehicle produced.
Energy consumption	A total of 4,401,974 kWh, i.e. 2.06 kWh, or 276 kg of CO_2 equivalent, per vehicle produced.
Greenhouse gas (GHG) emissions	Total GHG emissions (scope 1 + scope 2): 628,092 tonnes of CO_2 equivalent
Waste recovery/recycling rate	The amount of waste per car produced continued to fall to 47kg in 2016, with hazardous waste falling even more sharply (-9.8%). The waste recovery rate rose 1 point to 79%.
Adoption of an eco-design approach	■ Adoption of an eco-design approach throughout a product's whole lifecycle. ■ Life-cycle assessments (LCA) in accordance with the ISO 14040/044 standards, on vehicles and components for each new family of vehicles. ■ Methodology certified by "Bio By Deloitte", a life-cycle assessment consultancy. ■ 44.6% of all cars sold in 2016 covered by LCAs. ■ In accordance with European regulations, introduction of a recovery system for end-of-life vehicles (reuse of components, recycling of materials and energy recovery). Total recovery rate: 95% of the vehicle's mass (of which at least 85% reused and recycled).

More details on Peugeot SA's commitments can be found in its 2016 Registration Document.

SEB SA

CSR APPROACH

For many years, SEB has been using an approach that is ethical, economically profitable, socially fair and environmentally responsible. Its CSR approach has 5 pillars – ethics, a responsible workforce-related policy, corporate citizenship, a product range that meets consumer expectations, and efforts to reduce environmental impacts – and involves 16 issues identified according to the group's materiality matrix. The group has put together a three-year roadmap to address these issues.

GOVERNANCE

- Proportion of directors who are independent: 33%
- Proportion of directors who are female: 33%
- Code of ethics available on the group's website
- Since 2013, corporate social responsibility has been part of the Nominations and Remuneration Committee's remit. The Steering Committee's task is to define and monitor action plans over the short and medium terms

2016 HIGHLIGHTS

Social: "10-year repairable product" communication campaign

In 2015, the SEB group's first "repairability" campaign in France, involving the Seb and Rowenta brands, received wide coverage in the media. A group study among a representative panel of 816 consumers showed that the "10-year repairable product" logo was viewed positively, and had a significant impact on purchasing decisions. In 2016, the group stepped up its communication in France (press, NGOs, consumer associations), where it is now regarded as a leader in terms of repairability. Across all media, each French person was able to hear the group's message on repairability around 10 times on average in 2016 (source: audience measurement agencies). The communication strategy has started to be rolled out to other countries including Germany, Belgium and Italy. Since September 2016, new product ranges have featured the "10-year repairable product" logo on their packaging.

This has been the case for four brands internationally (Tefal, Rowenta, Moulinex and Krups), along with Seb and Calor in France and Belgium. Studies are being carried out on applying the same commitment to local brands such as Arno and Supor. With this initiative, SEB is making a commitment to extending the useful lives of its products, while raising consumers' awareness about more responsible consumption.

Environment: creation of a circular economy around recycled plastic

The SEB group is using increasing amounts of recycled materials in its products. Since 2014, the group has been stepping up its work on integrating recycled plastics into its products, driven by its Purchasing, Quality, Standards Environment and Research departments: collaboration with recyclers to improve the quality of the plastics concerned, checks on their regulatory compliance, injection and prototype testing, trial runs and so forth. In particular, it has set up a circular economy for small household appliances with Veolia and Eco-systèmes. This co-operation has resulted in the launch of a steam generator whose shell is made from polypropylene produced from recycled electrical and electronic appliances, which represents a first for the group. Compared with virgin plastic, the recycled plastic used to make this product reduces its climate-change impact by almost 70%. In 2016, the group also launched a raclette machine with a base that also features recycled polypropylene. Overall, around 10 new products including recycled polypropylene or ABS are in development for launch in 2017 or 2018. In addition to its partnership with Veolia, the group has also engaged in discussions with other recyclers to enhance their expertise in order to meet its requirements. Internally, it is focusing training and awareness-raising efforts on the teams concerned (design department, laboratories, quality, marketing etc.). Currently, for products made in-house, the SEB group has already exceeded its 2020 target of including 20% recycled materials in its new products.

These two initiatives form part of the circular economy commitments of AFEP companies presented to the French environment ministry on 1 February 2017.

QUANTITATIVE AND QUALITATIVE INDICATORS

Workforce-related

Total workforce Male/female breakdown:	25,985 60.1% men and 39.9% women
Total number of joiners Total number of leavers	12,367 12,157
Total number of training hours	401,810
Accident frequency rate Accident severity rate	Frequency rate = 1.8 Severity rate = 0.10
Support for charitable projects	Examples: ■ China: Supor (SEB group subsidiary) opened three new schools for deprived children, making a total of 18 schools in operation and two under construction; ■ USA: head-office staff took part in four volunteering days with the Habitat for Humanity charity, to help refurbish or build homes for disadvantaged families; ■ the SEB group fund continued to support Énergie Jeunes in the Lyon region. This charity seeks to prevent children in "priority education" schools from disengaging from education, through work done by volunteers coming mainly from the corporate sector. Since the start of the programme, 32 employees have taken part in this work; ■ support for Recho's activities in refugee camps in Europe: the charity's food truck organises cooking workshops and distributes meals to "bring life back to the camps, create connections and encourage integration".
Number of ethical, workforce-related and environmental audits carried out among suppliers worldwide	■ 153 initial supplier audits in Asia, South America, Europe and Turkey. 7 suppliers have shown "zero-tolerance"-type non-compliance (e.g. blocked emergency exits have resulted in action plans and control audits). 15 suppliers have shown a score of below 50 (resulting in remedial action as part of the procedure provided for by the group). 1 Chinese supplier of industrial moulds has been dropped, having refused to undergo the audit procedure. ■ 57 monitoring audits carried out. 22 suppliers have received the Achievement Award AA/Intertek label.
Number of consumers/customers who have rented kitchen appliances via the Eurêcook service	Results of the Dijon experiment after 9 months: ■ average spend: €22; ■ average rental period: 3 days; ■ satisfaction rating: 8/10 (1 point higher than the target).

Environment

Water consumption	3,338,000 m^3
Energy consumption	Total natural gas consumption = 224,900 kWh Total electricity consumption = 355,600 kWh
Greenhouse gas emissions	229,728 tonnes of CO_2 equivalent
Waste recovery/recycling rate	68.8% of non-hazardous waste sent for recycling
Adoption of an eco-design approach	The group adopted an eco-design approach in 2013. In 2016, SEB started to establish the environmental profile of each of its product families through summary sheets for internal use, which address three main questions: ■ Which stage of the product's lifecycle has the greatest impact on climate change? ■ What resources are needed to make and operate the product? ■ Which methods can be used to reduce the product's impact on the climate and resources? These sheets are a tool for raising awareness and helping to target eco-design efforts. Five of them are available (with the support of a French/English e-learning module) on the group's intranet. ***Energy efficiency*** ■ 2015: introduction of the Smart Energy Products project. Identification of product families that have the greatest impact in terms of energy consumption. ■ 2016: Definition of a standardised approach (for calculating energy consumption and efficiency) for each product family, along with one or two products that will serve as yardsticks for measuring progress. ■ The new calculation method was applied to all products developed during the year. ■ The Moveling hairdryer (Rowenta/Calor), launched in 2016, uses 20% less energy while delivering equivalent performance. ***Use of recycled materials*** (see highlight above)

More details on SEB SA's commitments can be found in its 2016 Registration Document.

ORPEA

CSR APPROACH

Ethics and respect for the person are central to ORPEA's business plan. As well as the technical aspects of its care services, ORPEA staff have an ongoing focus on ethics, quality of care and supporting residents and patients at its clinics and nursing homes (long-term care facilities).

GOVERNANCE

- Proportion of directors who are independent: 66%
- Proportion of directors who are female: 66%
- Code of ethics currently being drafted, to be implemented in 2017

2016 HIGHLIGHTS

Workforce-related: creating local jobs

ORPEA had a busy year in 2016 in terms of recruitment, due to its policy of developing and opening new facilities. The group hired almost 3,000 people worldwide, of whom 87% are on permanent contracts. These are long-term jobs that cannot be offshored, and they offer various opportunities for career advancement, particularly through training. Almost 1,000 jobs were created in France in 2016.

Workforce-related: developing an ethical culture with the ORPEA Excellence Awards

Each year, the ORPEA Excellence Awards, organised by the ORPEA group's International Scientific and Ethics Committee, recognise teams committed to promoting clinical ethics in their work and to developing care-focused research or innovation projects.

In the second edition of the awards in 2016, the submitted initiatives demonstrated the attention that staff show to the dignity and wellbeing of residents and patients, but also their desire to make constant improvements to the care that patients receive. The winning projects came from ORPEA subsidiaries in eight countries, and the jury's special prize went to the Collège des Psychologues (psychologists' college). This college was set up in 2004 and, twice per year, welcomes psychologists focusing on psychiatry, post-acute care and rehabilitation, and geriatrics. It encourages cross-functional collaboration between the group's practitioners, clinical discussions and continuing professional development, and co-operation with professionals in other fields, in an effort to achieve ongoing improvements in the care provided to patients and residents.

Social: innovation to improve the wellbeing of residents

The group has continued its research into ways of improving care for patients and residents with the introduction of new programmes such as:

- studying the benefits of light therapy for people suffering from neurodegenerative diseases. ORPEA carried out this scientific study in partnership with Nice university hospital, the Centre d'Innovation et d'Usage en Santé (healthcare innovation and usage centre) and Trilux, the company that designed the lighting system used in the study. The study involved a dynamic lighting system that varies according to the type of activities (calm or stimulating) carried out during the day. The study showed a significant improvement in the quality of residents' sleep, an improvement in behavioural disorders and reduced anxiety;
- pain-free residence in Austria. In collaboration with Paracelsus Medical University and the University Hospital for Geriatric Medicine in Salzburg, ORPEA's Austrian subsidiary has developed an innovative process to combat chronic pain among very elderly people. The project has two aspects: a training programme to increase nursing staff's knowledge of algology (the study of pain), and a pain assessment study covering around 350 residents. The project marks the development of a genuine anti-pain culture within ORPEA's facilities, supported by regular meetings with pain consultants and the creation of working groups that meet every month.

QUANTITATIVE AND QUALITATIVE INDICATORS 2016

Workforce-related	
Incentive policy, including share ownership	■ Bonus share plan for 32 executives loyal to the group. Vesting of shares dependent on meeting both presence and performance conditions.
Support for charitable projects	■ Support for numerous charitable projects at both the local and international level. For example, ORPEA supported the Imagine for Margo charity in the "Enfants sans cancer" running race to raise funds to finance innovative research programmes. More than 500 staff members took part, raising €123,000.
Number/type of partnerships with schools to promote careers working with elderly people	■ More than 370 partnerships with specialist schools and universities in France.
Number of projects carried out by the psychological unit	26 projects in 23 facilities (9 post-acute and rehabilitation / 8 psychological / 6 long-term care facilities).
Number of employees supported by the psychological unit	246

More details on ORPEA's commitments can be found in its 2016 Registration Document.

LISI

GOVERNANCE

- Proportion of directors who are independent: 23.08%
- Proportion of directors who are female: 31%
- HSE (health, safety and environment) Steering Committee reporting to the CEO. The Committee is supported by HSE officers within each division

2016 HIGHLIGHTS

Workforce-related: roll-out of the HSE excellence programme

This programme aims to achieve excellence in the HSE field by using operational tools based on in-house best practice. All LISI sites were visited when launching the programme. Specific action plans were developed on the basis of the analysis carried out with each site's Management Committee. Two tools were also introduced in connection with this system in 2016:

- each site implemented LISI's “golden rules” with the help of a kit containing items including posters and individual HSE passports;
- Safety Culture Program: the group is continuing to roll out this programme, which aims to instil a genuine safety culture among all staff members.

Workforce-related: recognition of vocational training and qualifications

The group places particular importance on developing its employees' professional qualifications. For several years, the LISI Automotive division has been developing specific vocational training courses relating to its strategic business lines. In 2016, employees took part in almost 5,900 hours of training through these courses, obtaining 42 CQPM metallurgy certificates and CQPI inter-industry certificates. For example: 3 operators obtained “industrial machinery operator” CQPIs, and 8 obtained “autonomous industrial production team-member” CQPMs after taking the new recycling/packaging training course.

Workforce-related: integrating young people into the world of work

LISI is continuing its active efforts to integrate young people into the world of work, allowing large numbers of students to find out about the company and its businesses via internships and apprenticeships. Each year, LISI develops relations with local schools and training centres across all of its 3 divisions' sites, organising site visits, taking on interns and taking part in forums. In 2016, LISI welcomed 450 interns, 249 apprentices and 89 young people on professional development contracts.

QUANTITATIVE AND QUALITATIVE INDICATORS

Workforce-related	
Total workforce	11,587: 9,167 men /2,420 women
Total number of joiners Total number of leavers	1,394 joiners and 1,210 leavers The group had a major recruitment drive in 2016: ▪ 938 joiners at LISI Aerospace; ▪ 347 joiners at LISI Automotive; ▪ 106 joiners at LISI Medical.
Total number of training hours	273,500 or 1.53% of hours worked in 2016.
Accident frequency rate	The group monitors accidents through the following indicators: ▪ TF0 accident frequency rate (lost-time work accidents per million hours worked) = 10.75 in 2016; ▪ TF1 accident frequency rate (lost-time and non-lost-time work accidents per million hours worked) = 14.52 in 2016.
Accident severity rate	▪ TG0 accident severity rate (number of lost work days per thousand hours worked) = 0.28 in 2016.
Incentive policy, including share ownership	▪ French companies have incentive agreements specific to site activities. ▪ Employees in France can also invest in the company via an employee savings plan. This group savings plan is accompanied by attractive employer contributions. 17% of employees own shares in LISI. ▪ Incentive plans, profit-sharing plans and performance-related bonuses amounted to €3,820,060 in total in 2016, equal to 1% of payroll. ▪ Fostering the involvement and loyalty of talented people is a major focus for the LISI group. Executives and holders of key roles in the organisation are eligible for grants of LISI shares that are dependent on the company's medium-term performance. This variable remuneration method gives them a significant interest in the company's performance over several years.
% of employees based in France	55%

Environment	
Water consumption	913,482 m^3 or 0.551 m^3/€1,000 of revenue
Energy consumption	471,582 MWh or 0.285 MWh/€1,000 of revenue
Waste management	98% of waste sent for recycling
Adoption of an eco-design approach	LISI works with its customers to reduce the weight of its components, in order to reduce the fuel consumption of vehicles and aircraft.

More details on LISI's commitments can be found in its 2016 Registration Document.

ZODIAC AEROSPACE

CSR APPROACH

Zodiac Aerospace has been a signatory to the United Nations Global Compact since 2014, and it aligns its operations with the 10 universal principles regarding human rights, work standards, the environment and efforts to fight corruption. The group has a strategy of generating responsible growth in compliance with international, national and local regulations, and with the ethical principles of integrity, fairness and environmental protection.

GOVERNANCE

- Proportion of directors who are independent: 55%
- Proportion of directors who are female: 55%
- Environment department overseen by the head of industrial safety
- Group code of ethics

2015/2016 HIGHLIGHTS

Health and safety: procedures to ensure continuous improvement

The safety of its employees is Zodiac Aerospace's main priority. It has a number of prevention initiatives, including efforts to strengthen processes for detecting and analysing potentially hazardous situations and near-misses, including the production of Safety Observation Action reports (SOARs), for example at its Gainsville site in Texas. 80% of potentially hazardous situations and near-misses detected were dealt with and resulted in action being taken within a week of being recorded.

Key figures: ergonomics

- Ergonomics training at 13 sites
- 28 ergonomics projects underway
- 20 best practices in safety and ergonomics

Workforce-related: introduction of new human resources management software

The Zephir human resources IT system centralises information about the group's 33,000 employees (skills, activities, reporting line, administrative information), to be used in annual appraisals and to put together individual development plans.

Environment: eco-design using 3D printing

9 pilot sites are currently carrying out eco-design work. As part of that effort, the Montreuil site has analysed the process of manufacturing lithium-ion batteries using 3D printing. The first conclusions are encouraging: less waste of raw materials and improved recyclability of components.

QUANTITATIVE AND QUALITATIVE INDICATORS 2015/2016

Workforce-related	
Total workforce Male/female breakdown:	33,667 employees 61.5% men 38.5% women
Total number of joiners Total number of leavers	7,467 6,487
Training	2.9 days of training per employee on average.
Accidents	14% reduction in the number of lost-time accidents in the last financial year.
Number of entities with OHSAS 18001 certification	38
Incentive policy, including share ownership	■ The group applies an incentive and employee profit-sharing policy across all of its French entities. ■ Bonuses (variable remuneration) are available to all group managers, and the Zephir system will be used to measure performance. ■ Zodiac Aerospace has adopted the principle of a new bonus share grant for all French employees.

Workforce-related	
Support for charitable projects	■ Support for the Petits Princes charity, which makes the dreams of seriously ill children come true. ■ Support for projects that promote innovation (Jean-Louis Gerondeau-Zodiac Aerospace awards in association with École Polytechnique). ■ The group allows its subsidiaries to take the initiative in supporting various cultural and educational projects at the local level.

Environment	
Number of production sites with ISO 14001 certification	44
Water consumption	686,000 m3
Energy consumption	349,271,000 kWh (including electricity, gas and fuel oil).
Greenhouse gas emissions	Scope 1: 26,556 tonnes of CO_2 equivalent Scope 2: 97,996 tonnes of CO_2 equivalent Total: 124,552 tonnes of CO_2 equivalent
Waste recovery/recycling rate	60% of waste recovered, including 47% recycled.
Adoption of an eco-design approach	■ Use of EIME life-cycle assessment (LCA) software to quantify precisely the environmental impacts of several products: Dragonfly seat, sub-assemblies for central electrical power systems, fuel inerting systems, remote measurement and aircraft cabin system and, since 2015, batteries and seat actuators. ■ Findings derived from these pilot initiatives are used to help raise awareness at other sites, in order to apply the approach more widely.

More details on Zodiac Aerospace's commitments can be found in the 2015/2016 annual report, made up of a business report and a financial report.

Ipsos

GOVERNANCE

- Proportion of directors who are independent: 44%
- Proportion of directors who are female: 33%
- Presentation by the CSR Committee to the Board of Directors regarding the CSR approach and CSR activities
- Signatory of the United Nations Global Compact

2016 HIGHLIGHTS

Workforce-related: reduction in staff turnover

The staff turnover rate fell below 20%. This is a priority issue for Ipsos, which wants to foster loyalty among its talented people. Its New Way programme, launched in 2014, has helped it to achieve this objective through the following action plans:

2015:

- encouraging employees to buy into the five Ipsos values (Integrity, Curiosity, Collaboration, Client first, Entrepreneurial spirit) and checking their commitment to those values through an annual survey;
- a document entitled "Proud to be Ipsos", summarising the values and behaviours that should inspire Ipsos employees;
- the new edition of the Green Book, Ipsos' Code of professional conduct.

2016: Generation Ipsos programme to train the young talent of tomorrow.

Environment: reduction in greenhouse gas emissions

The Ipsos group had set a target of reducing greenhouse gas emissions by 10% between 2014 and 2017. By the end of 2016, it had already hit its target, reducing emissions by 11% relative to 2014 due to the following measures:

- increasing use of videoconferencing, which helps to reduce business travel at the global level;
- streamlining efforts and initiatives to increase the efficiency of buildings following the Ipsos/Synovate merger;
- numerous local measures taken by key countries to reduce their greenhouse gas emissions.

QUANTITATIVE AND QUALITATIVE INDICATORS

Workforce-related	
Total workforce Male/female breakdown:	16,598 6,688 men /9,910 women
Total number of joiners Total number of leavers	2,988 3,025
Total number of training hours	2.4% of total hours
Incentive policy, including share ownership	Ipsos has a bonus plan involving both cash and shares: ▪ senior employees of grades 1 and 2 are entitled to bonuses depending on the group's financial performance, and on individual performance and attainment of objectives; ▪ employees of grades 3-7 receive discretionary bonuses depending on the performance of countries and business units; ▪ certain countries, including France, have an incentive and employee profit-sharing system.
Support for charitable projects	The Ipsos Foundation was established in 2014. Its main aim is to support the education of children and young people around the world. Since 2015, the Ipsos Foundation has given a total of €400,000 of support to 19 projects.

Environment	
Electricity consumption	27,519,770 kWh
Greenhouse gas emissions Greenhouse gas emissions generated by business travel	22,577 tonnes of CO_2 equivalent (total emissions)
Waste management/recycling	Paper is the main source of Ipsos' waste. 245 tonnes of paper recycled.

More details on the Ipsos group's commitments can be found in its 2016 Registration Document.

CIEL

CSR APPROACH

CIEL adopted a group-wide sustainability policy in 2015. Its approach has 5 aspects: commercial ethics; fair working practices and respect for human rights; environmental responsibility; responsible design, planning and purchasing; and stakeholder satisfaction and commitment.

GOVERNANCE

The group's Corporate Sustainability Committee is made up of a Chairman, representatives of the various business segments (agro & property, textiles, tourism, healthcare and finance), the group's CEO and the Head of Human Resources. The Committee's role includes ensuring that the sustainability policy is applied across all CIEL entities.

BEST PRACTICE

CIEL Textile now a member of the SEM Sustainability Index

In 2015, the Stock Exchange of Mauritius (SEM) launched the SEM Sustainability Index (SEMSI). The index tracks the performance of its constituents, which are also listed on SEM's Official Market and show good sustainability practices. The SEMSI measures the performance of listed companies according to a set of international criteria with local relevance, including economic, environmental, workforce-related and governance criteria. Eligibility criteria are based on GRI (Global Reporting Initiative) G4 guidelines, while also taking local sustainability imperatives into account. In becoming part of this index, CIEL Textile's approach focused initially on auditing entities making up its Textile cluster in terms of governance, economic, environmental and workforce-related criteria.

2016 HIGHLIGHTS

Governance: a forum for raising managers' awareness about sustainability

In June 2016, CIEL's first Sustainability Forum took place, bringing together just over 125 senior executives from the group's 5 business segments. This interactive discussion forum allowed participants working in different segments and regions to gain a better understanding of common objectives, and facilitated the sharing of best practice. The initiative is an example of CIEL's social commitment but also its desire to instil a sustainability culture within its operations.

Social: running for a good cause with the Ferney Trail

Since it was first held in 2008, the Ferney Trail running race is now one the main events on Mauritius' sporting calendar. It is more than just a race: it is an annual get-together during which the Vallée de Ferney welcomes both sports- and nature-lovers. In 2016, the CIEL group donated some of the funds collected to the Sun Resorts Cancer Trust, the foundation of the CIEL Hotels & Resorts subsidiary, which supports children suffering from cancer.

Social: CIEL Textile's commitment to local communities

In 2016, CIEL Textile launched its "Act for our Community" initiative. On 13 November 2016, almost 10,000 employees working for CIEL Textile's 20 units in four countries (Mauritius, India, Madagascar and Bangladesh) did volunteer work for their local communities. After intensive preparations, several activities were organised for people in need living close to CIEL's production plants, in collaboration with local NGOs.

QUANTITATIVE AND QUALITATIVE INDICATORS (AT 30 JUNE 2016)

Workforce-related	
Total workforce	around 30,000
Male/female breakdown:	50.53% men -49.47% women
Total number of joiners	1,019
Total number of leavers	786
Support for charitable projects via Fondation CIEL Nouveau Regard (FCNR)	Support for 2 community centres in Solitude and Olivia: Lakaz Lespwar Solitude and Lakaz Lespwar Olivia ("Lakaz Lespwar" meaning "house of hope" in Mauritius creole): ▪ since opening in 2010, Lakaz Lespwar Solitude has helped 600 seriously deprived families. 100 families are currently receiving its support; ▪ in partnership with CIEL group subsidiary Alteo, FCNR then replicated the concept in Olivia in 2015, where 100 schoolchildren are currently taking part in extra-curricular activities; ▪ FCNR is also supporting 2 other projects: the Adolescent Non Formal Education Network (ANFEN) for adolescents experiencing difficulties and the Society for the Welfare of the Deaf (SWD), which helps hearing-impaired children.

DKSH

GOVERNANCE - CSR APPROACH

DKSH has adopted a CSR approach overseen by a project team made up of representatives from its main functional departments, i.e. supply chain, legal and compliance, HR, finance and communications. The group has published a code of ethics, which is available on its website.

BEST PRACTICE

Risk management procedure

DKSH has adopted a risk management procedure based on ISO 31000:2009, which involves identifying, assessing and dealing with financial and non-financial risks across its entire value chain. The aim is to identify and prevent operational risks such as customer-related, legal, compliance and reputational risks. Centralised risk management identifies and assesses strategic risks within the group, business units and countries. Each risk is assessed and measured to ensure business continuity in all circumstances.

Workforce-related: developing talent with the DKSH Fantree Academy

DKSH is a provider of services, and so its people are key assets. In order to foster loyalty among its talented staff members and help them develop, the group has set up an internal training centre called the DKSH Fantree Academy. Since it was created in 2013, the academy has delivered training to almost 20,000 people, and developed 34 programmes specifically for the group's executives. Courses are led by a network of more than 150 trainers.

Social: supporting jobs and community projects in Asia

DKSH is the leading provider of market development services in Asia. In that capacity, DKSH helps to develop infrastructure and economic activity in the towns and regions in which it operates by supporting jobs and local training. It has 710 commercial entities in the Asia-Pacific region, which help to improve the quality of life of millions of people by distributing consumer goods and healthcare products to meet local people's day-to-day requirements.

DKSH also works with local communities by supporting numerous initiatives. For example, the group has been working with the Right To Play organisation in Thailand for 10 years. Right To Play is a global humanitarian organisation that uses sport and play to educate and enhance the skills of children in disadvantaged communities. It does play-based work with almost 15,000 children in 200 schools in Thailand, as well as 400 young people in Thai juvenile detention centres. As well as financial support, the group gives its staff the opportunity to volunteer for the organisation. Right To Play's local office is also based in DKSH's campus on Sukhumvit Road in Bangkok.

Immobilière Dassault

Immobilière Dassault uses experts to carry out mandatory analysis work and seek HQE (high environmental quality) certification, with the aim of enhancing the environmental performance of its real-estate portfolio.

After obtaining its first HQE tertiary building certification for the programme and design phases of its building at 230 boulevard Saint-Germain in 2014, Immobilière Dassault obtained HQE tertiary building certification for the construction phase in 2015.

KEY FIGURES

- Total workforce: 6
- Total number of training hours: 100
- Employee savings plan

Investing responsibly: CSR at non-listed investees

In this section, please note the following:

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

Sanef, EREN RE, Louis Dreyfus Armateurs and Tikehau Capital are also part of FFP's portfolio.

The information below is presented for information only and illustrates the main features of the CSR approaches taken by FFP's non-listed investees. The information comes from the CSR questionnaire that FFP sends to all its investees. As a responsible investor, FFP wants to boost the holistic value creation of all its investees and ensure that it continues over the long term.

Château Guiraud

BEST PRACTICE

Environment: 100 hectares of certified organic farmland

Château Guiraud was the first of Sauternes' "grands crus classés" to receive AB organic certification in 2011. That followed a three-year process of converting to organic methods. To obtain AB certification, strict criteria must be met. For example, no curative products may be used to treat vine disease, only preventative products. That requires constant monitoring of the vineyard, the climate and parasites. 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.

Workforce-related: measures to make working conditions less arduous

Arduous working conditions are a recurring theme in the winegrowing industry. The use of phytosanitary products, posture, noise and vibration are among the factors that the company takes into account. By using organic methods, workers are naturally protected from the adverse effects of phytosanitary products, but they still wear protective equipment to minimise all types of adverse exposure, including exposure to noise. To prevent staff having to adopt awkward working positions, Château Guiraud is gradually updating its equipment, increasing comfort by reducing their weight and minimising the distance over which staff carry heavy loads, for example during packaging work. The company is also acquiring vehicles that limit vibrations and shocks.

Social: meeting and engaging in discussion with our customers

Château Guiraud organises a large number of events in which customers can sample its wines. The main events include tastings of the latest vintage, open days and the Fête de la Lune. Château Guiraud welcomes 10,000 people annually to these events. In 2016, an organic garden was opened in which visitors can discover new ways of cultivating vines and enjoy the biodiversity resulting from this project, which covers three terraces and 1,800 m^2.

Sanef

GOVERNANCE

- Proportion of directors who are independent: 16.67%
- Proportion of directors who are female: 25%
- Compliance procedure initiated in 2016 and effective in 2017
- Creation of a CSR Strategy Steering Committee

2016 HIGHLIGHTS

Social: economic contribution to direct and indirect employment

Sanef's community commitment is intended to promote mobility, interaction and economic activity, and the company plays a key role in fostering growth in its regions. The group's financial flows (expenditure, wages and taxes) have economic repercussions that spread well beyond its own activities. In 2016, Sanef carried out a socio-economic assessment of its activities, entitled "Local footprint".

The study takes into account the direct, indirect and spin-off impacts of the group's financial flows on employees, suppliers and, through the payment of taxes, government. The study shows that, over a one-year period, Sanef's business supported almost 18,600 jobs, 6.8 times the number of direct jobs, and generated GDP of €2,320 million, equal to 1.7 times Sanef's direct value added.

Environment: renewed Ecocert Engagement Biodiversité certification

In 2015, Sanef adopted a biodiversity management system, for which it obtained "Ecocert Engagement Biodiversité" certification. In 2016, that certification was renewed. This recognises the decades of work done by Sanef group companies to preserve biodiversity. The group's innovative approach is continuing today, in the way it conducts its construction operations, factoring in biodiversity issues right from the initial study phases and until construction.

QUANTITATIVE AND QUALITATIVE INDICATORS

Workforce-related

Total workforce Male/female breakdown:	2,752 (2,563 full-time equivalent) 1,741 men / 1,011 women
Total number of joiners Total number of leavers	877 in 2016, including 44 on permanent contracts. 981, including 849 following the end of their contracts and 86 people taking retirement.
Total number of training hours	30,258
Accident frequency rate Accident severity rate	See table below
Number of hours of health and safety training undertaken by staff	14,790
Number of indirect jobs generated by Sanef's business	▪ 3,700 indirect jobs supported in the supply chain ▪ 3,200 spin-off jobs (consumption by Sanef group staff and suppliers' staff) ▪ 8,800 spin-off jobs supported by government spending related to taxes paid by the group and its supply chain(1)
Number of motorist safety awareness campaigns	Three safety campaigns were carried out in 2016.
Incentive policy, including share ownership	Incentive agreements at Sanef and SAPN giving employees an interest in the companies' performance. Incentive payments depend on three criteria: ▪ work accident frequency rate; ▪ EBITDA margin; ▪ an environmental criterion relating to the carbon footprint caused by electricity consumed by the company.

On a rolling 12-month basis	December 2016	
	Accident frequency rate	Accident severity rate
Sanef SA - Sanef SA	11.33	1.11
SAPN SA - SAPN	24.85	1.56
SE A14 - SE A14	17.11	3.35
SEBPNL	48.51	1.72
Sanef Aquitaine	14.77	0.38
Eurotoll	0	0
Bip & Go	0	0

(1) Source: "Local footprint" study carried out by the group in 2016.

Environment	
Water consumption	303,464 m^3
Energy consumption	59,361,632 kWh (electricity)
Greenhouse gas emissions	The group's emissions are as follows: ■ 19,259 tonnes of CO_2 equivalent (Scope 1); ■ 4,886 tonnes of CO_2 equivalent (Scope 2); ■ 5,518,491 tonnes of CO_2 equivalen$_t$ (Scope 3).

More details on Sanef's commitments can be found in its 2016 financial report.

EREN RE

Strategy and governance

EREN RE develops, builds and operates photovoltaic and wind power facilities all over the world. It therefore 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.

Preservation of natural resources: central to the business plan

EREN RE is developing its business mainly in countries where renewable energies are a competitive way of addressing growing energy needs. To realise its strategy, the group works with local developers that have proven expertise, along with power plant construction firms and equipment suppliers that are leaders in the renewable energies market. EREN RE targets regions that have major energy requirements and high-quality wind or solar resources, and it uses its creativity and flexibility to tailor its solutions and minimise power production costs.

Developing power plants is a business that has a strong local focus. EREN RE's local teams rely on the support and leadership of men and women who work at both the national and regional levels. The success of EREN RE's founders is based on long-term partnerships that allow local teams to maximise the potential of their project portfolios.

When buying majority stakes or entering into joint control or joint development agreements, EREN RE is particularly careful to ensure that its long-term interests are aligned with those of its partners. EREN RE uses its industry expertise and financing capacity to support developer partners, thereby giving them the means to thrive as part of a balanced co-operation.

EREN RE's development teams are experts in each phase of developing a renewable energy project. They can assess the quality of a site, select the most suitable and competitive equipment and suppliers, and negotiate the best terms for financing the project and for selling the electricity generated.

INDICATORS – KEY FIGURES 2016

Total workforce	61
Joiners	11
Total number of training hours	14
Total amount invested in renewable energies	€32 million - approximate amount of equity investments, loans and advances granted by EREN RE and expenses incurred by EREN RE (net of revenue).
Number of projects (wind, solar, hydroelectric) in operation in 2016	28
Number of projects under development Main countries	The group has several dozen projects under development, including around 10 at a very advanced stage. France, Italy, Greece, Israel, India, Uganda, Brazil, Argentina.

Louis Dreyfus Armateurs

SUSTAINABILITY APPROACH

Protecting the environment is a major issue for Louis Dreyfus Armateurs (LDA). Environmental risks at sea (pollution by hydrocarbons, toxic materials, waste and air pollution) and regulatory prevention measures applicable to vessels are set out in the MARPOL convention. LDA complies strictly with this international convention for the prevention of pollution from ships, and has developed emergency procedures for each of these risks. The company is also a signatory to the Charte Bleue, a charter that requires French shipowners to make protecting the environment and the seas a central part of its business and to ensure the safety and wellbeing of crew. LDA has undertaken to improve its environmental management system and is in the process of completing that work, aiming to obtain ISO 14001 certification at the end of 2017.

GOVERNANCE

Matters relating to compliance, sustainability and corporate social responsibility are co-ordinated by the office of LDA's corporate secretary, working closely with the heads of the group's QHSE and human resources departments. The corporate secretary's office is also responsible for the whistleblowing system established by France's Sapin II Act. The group is preparing a code of conduct, which will be adopted before the Sapin II Act comes into force on 1 June 2017.

BEST PRACTICE

Governance: a structured approach to risk management

LDA makes constant efforts in the field of risk management, using a regulatory database and a document system that is accessible to all employees. The company has chosen to identify risks by area: Maintenance, Environment, Operational and Individual (safety at work). It uses a risk assessment methodology that, for each identified risk, assesses both the frequency of its occurrence and the severity of its likely consequences. The systematic adoption of prevention measures completes this initial assessment. The company also has a system for analysing incidents and compliance breaches, which allows it to achieve continuous improvement in its safety management system. As regards the risk of fire, and more generally in order to protect lives at sea, the company plans and carries out training and simulations at regular intervals on board all vessels in its fleet. All crew members take part in these exercises, regardless of their position and level of responsibility.

Workforce-related: instilling a culture of safety on board ships

Safety is one of Louis Dreyfus Armateurs' fundamental values. The company achieves safety through preventative measures and by learning through experience. To achieve continuous improvement in the safety culture on board ships, the company has adopted a behaviour-based programme. Safety also requires crew members to commit to complying with regulatory requirements and those of the company. To anticipate risks, the company has introduced a number of procedures and action plans, including:

- maintaining and renewing professional qualifications, including those relating to safety;
- having detailed information available on each vessel and at head office, including the single occupational risk assessment and prevention document;
- training employees and raising their awareness of risks when they board ships;
- holding preparatory meetings in relation to risky work;
- carrying out simulations based on schedules and themes standardised and controlled by head office;
- holding periodic meetings chaired by the ship's commander;
- producing videos and documents on the theme of safety at work;
- arranging audits, including internal audits, to check and ensure the application of the company's instructions.

Accident rates in 2016:

- Accident frequency rate: 3.28
- Accident severity rate: 0.47

Tikehau Capital

ESG APPROACH

In 2014, Tikehau IM (Tikehau Capital's portfolio management company) and Salvepar (investment holding company) signed the United Nations' Principles for Responsible Investment (UN PRI), through which they undertook to factor in ESG criteria throughout the investment cycle. In 2015, Tikehau IM and Salvepar decided to adopt a joint responsible investment policy and formalise it in a Responsible Investor Charter, which makes governance a key aspect of ESG analysis within the Tikehau Capital group.

ESG criteria are an integral part of Tikehau Capital's investment process and are taken into account in investment decisions, with particular requirements for activities that involve extensive interaction with issuers (such as private debt and equity investment activities). In those activities, ESG issues are addressed at three key stages:

- an exclusion system at the stage of selecting investment transactions. Tikehau Capital regularly rules out certain investment projects, despite any strategic or financial appeal that they might have, if they show a lack of transparent governance of if there are no independent directors in the company's decision-making bodies. Investment teams also apply geographical and sector exclusion criteria, such as exclusions on the basis of controversial weapons regulations. Finally, investments in companies that may present ethical risks because of the sectors in which they operate or the country in which they are based are submitted for approval to the ESG Committee, which examines them on a case-by-case basis;
- an ESG analysis system when studying investment transactions. The Tikehau Capital group has prepared an analysis schedule according to which teams assess ESG issues, prepare a report on the proposed investment and define progress plans with the necessary monitoring tools;
- an ESG monitoring and reporting system after each investment transaction. Once the investment has been carried out, each portfolio holding is analysed annually, according to common ESG criteria and specific criteria if necessary.

GOVERNANCE

Proportion of directors who are independent: 30%

An ESG Committee co-ordinates, manages and applies the CSR strategy at all levels of Tikehau Capital's organisation. The ESG Committee is made up of various senior representatives of the organisation.

2016 HIGHLIGHTS

Implementation of a CSR reporting system

The group finalised and implemented a CSR analysis system for the group's investment projects and adopted a standard reporting format in 2016. These tools take into account the degree of interaction between asset managers and the companies in which they are planning to invest.

QUANTITATIVE AND QUALITATIVE INDICATORS (AT 30 JUNE 2016)

Workforce-related

Total workforce Male/female breakdown:	130 57.9% men - 42.1% women
Total number of joiners Total number of leavers	22 6
Incentive policy, including share ownership	■ Tikehau IM: adoption of a bonus share plan for employees; ■ Tikehau IM and Salvepar: incentive agreement; ■ Tikehau Capital Advisors: around 50 employees are shareholders of and have invested in a company that owns a stake in Tikehau Capital Advisors, and receive incentive benefits related to the outperformance of funds managed by the group.
Support for charitable projects	■ Tikehau Capital: promoting volunteering through collectively selected humanitarian projects (Emmaüs, Hôpital Saint-Vincent de Paul, etc.); ■ Salvepar: support for the "Fonds de Recherche en Santé Respiratoire", an endowment fund that aims to promote scientific research in the field of respiratory illnesses; ■ Salvepar: support for "Job dans la Ville", a programme in the Paris region run by the Sport dans la Ville charity, which promotes integration through sport in France.

2

CORPORATE GOVERNANCE

2.1 Composition of the Board of Directors

Surname	First name	Position at FFP	Independent
Peugeot*	Robert	Chairman and Chief Executive Officer	
Peugeot	Jean-Philippe	Vice-Chairman	
Peugeot-Roncoroni	Marie-Hélène	Vice-Chairman	
Chodron de Courcel	Georges	Director	◆
Gendry*	Luce	Director	◆
Netter	Dominique	Director	◆
Peugeot*	Christian	Director	
Peugeot*	Xavier	Director	
Soulard	Patrick	Director	◆
Walbaum	Marie-Françoise	Director	◆

* *Their reappointment will be proposed at the Annual General Meeting on 11 May 2017.*

The rules on the composition of the Board of Directors are presented in the Chairman's report on the preparation and organisation of the work of the Board of Directors and internal control procedures. The criteria used to determine whether a director qualifies as independent are those laid down in the December 2008 AFEP-MEDEF Corporate Governance Code as revised in November 2016.

2.2 Powers and operating procedures of the Board of Directors

The Board of Directors sets FFP's long-term 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 governing the operation of the Board of Directors are laid down in law, in FFP's Articles of Association and in the Internal Rules, and the Stock Market Code of Ethics. These 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 shall also hold the duties of Chief Executive Officer. In addition, these rules lay down formal terms of reference for the specialised committees that act under the authority of the Board of Directors.

2.3 Board Committees

The following three committees have been established:

- the Governance, Appointments and Remuneration Committee;
- the Investments and Shareholdings Committee;
- the Financial and Audit Committee.

The composition and operating rules of these committees are presented in the Chairman's report on the preparation and organisation of the work of the Board of Directors and internal control procedures.

2.4 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 qualifying shares.

Directors are appointed for a term in office 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 shall remain in office and the next oldest directors after him/her shall 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 shall 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 shall 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 shall exercise these powers subject to the powers expressly reserved by law for General Meetings and the powers specially reserved for the Board of Directors, and shall not exceed the corporate objects.

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

The Chief Executive Officer shall bind the Company even by dint of 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 shall 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 Chief Operating Officers, up to a maximum of five.

The Chief Operating 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 Chief Operating Officers shall 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 Chief Operating Officers. Any restrictions on these powers are not binding on third parties, with each Chief Operating Officer carrying the same powers as the Chief Executive Officer vis-à-vis them.

Where a Chief Operating 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 shall be 70 years for the position of Chief Executive Officer and Chief Operating 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.

2.5 FFP's Internal Rules and Stock Market 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 adopted by the Board on 12 September 2013, is to establish and stipulate, alongside the provisions of law, the regulations and the Articles of Association, how the Board and its committees should be organised and operate, in the best 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 Code, as amended in its latest version dated November 2016.

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 long-term direction. The Chairman must ensure the relevance, reliability and clarity of the information provided to shareholders and to the financial markets, 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.

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 scope of 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 discharge 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 frame of reference for committees, which operate under its responsibility. 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 its 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 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 must 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 a company 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 papers 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 considering decisions, directors must ensure that they have the information they deem essential for the smooth running of the Board and its 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 plans 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 deliberate 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 a 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 discharged 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 assessment from time to time of its and its committees' composition, organisation and procedures. The Board shall conduct an annual review of 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 its 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 long-term direction set by the Board of Directors and oversees day-to-day management of the Company. For investments in and divestments of shareholdings, the Chairman and Chief Executive Officer is responsible for implementing in the best interests of the Company the decisions made by the Board of Directors, and he/she reports to it subsequently. He/she may be assisted by a Chief Operating 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 new 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 their opinions, proposals and recommendations to the Board.

The Board has three committees:

- a Governance, Appointments and Remuneration Committee;
- an Investments and Shareholdings Committee;
- a Financial 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 of 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.

Each of the committees elects its own Chairman and 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 deliberate validly 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 of the committees may validly deliberate by consulting its members individually.

Each committee reports on how it has discharged 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:

Concerning the 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 creation and composition of Board Committees;
- 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 alterations;
- 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.

Concerning the Chairman and Chief Executive Officer and the Chief Operating 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 Chief Operating Officer;
- examine the succession plan for executive directors 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 Chief Operating 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 how to allocate the attendance fees set aside between 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.

Concerning the 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.

Concerning 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 its 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.

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 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.

FINANCIAL 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 Financial and Audit Committee is responsible for making preparations for decisions to be made by the Board of Directors in relation to financial and accounting 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.

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 shall 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 10 qualifying shares throughout his/her term in office.

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 shall inform the Board of Directors of any existing or potential conflicts of interest with FFP. He/she shall 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 10 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 that appears 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 papers for Board meetings and the information gathered during or outside Board meetings are confidential without any exceptions, irrespective of whether the information gathered has been 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,

- a director may not use, in whole or in part, the information to which he/she is 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 every appropriate measure to ensure that this confidentiality is maintained, especially by taking steps to secure the papers and documents provided.

This information loses its confidential 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 its committees.

STOCK MARKET CODE OF ETHICS

Principles

Every member of the Board of Directors is, in the normal course of his/her duties, regularly privy to inside information, which has the following characteristics:

- it is specific;
- 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 appears on the list 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 the Company's shares for as long as they possess, 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 shall 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 declare their transactions to the AMF electronically within three trading days of the execution of the trade.

Persons making a declaration to the AMF shall send a copy of their declaration to the Secretary of the Board of Directors.

The declarations shall then be 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 Rules may be amended at any time by the Board by means of a simple majority vote by members present or represented.

2.6 Appointments held by corporate officers – Management expertise

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 at 31 December 2016: 10 shares** **Date of first appointment to the Board of Directors:** 28 June 1979 **Year in which current term expires:** 2017 **Business address:** 66 avenue Charles de Gaulle 92200 Neuilly-sur-Seine

Management expertise:
After graduating from École 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.

CURRENT APPOINTMENTS

FFP INVEST		G	Permanent representative of FFP, Chairman
Financière Guiraud		G	Permanent representative of FFP INVEST, Chairman
Sanef			Permanent representative of FFP INVEST on the Board of Directors
Établissements Peugeot Frères		G	Director
FAURECIA	◆		Director
Peugeot SA	◆		Permanent representative of FFP on the Supervisory Board
DKSH	◆		Director
Hermès International SCA	◆		Member of the Supervisory Board
Sofina	◆		Director
Tikehau Capital Advisors			Member of the Board of Directors
SC Rodom			Manager
SARL CHP Gestion			Manager

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:
Peugeot SA, IDI Emerging Markets, Sanef, Zodiac Aerospace, Imerys, Holding Reinier

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

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 at 31 December 2016: 7,616 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

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

CURRENT APPOINTMENTS

Immobilière Dassault	◆	Member of the Supervisory Board
LDAP		Permanent representative of FFP Invest, member of the Executive Committee
Établissements Peugeot Frères	G	Chairman and Chief Executive Officer
Groupe PSP	G	Chairman and Chief Executive Officer
Maillot I	G	Manager

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:

Linedata Services, Peugeot SA, Oldscool, Innoveox

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

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 at 31 December 2016: 10 shares
Date of first appointment to the Board of Directors:
19 December 2002
Year in which current term expires: 2018
Business address: 66 avenue Charles de Gaulle
92200 Neuilly-sur-Seine

Management expertise:
Marie-Hélène Peugeot-Roncoroni is a graduate of IEP 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 Appointments, Compensation and Governance Committee.

CURRENT APPOINTMENTS

Établissements Peugeot Frères	G	Director and Chief Operating Officer
Peugeot SA	◆	Permanent representative of Établissements Peugeot Frères on the Supervisory Board and Vice-Chairman
LISI	◆	Director
Sapar		Director and Chief Operating Officer
PSA Peugeot Citroën Foundation		Director and Vice-Chairman of the Board
Assurances Mutuelles de France		Director
Institut Diderot		Director
ESSO SAF		Director

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:

Permanent representative of Assurances Mutuelles de France on the Board of Directors of Azur – GMF Mutuelles d'Assurances Associées (AGMMA), member of the Supervisory Board of ONET, member of the Supervisory Board of Peugeot SA, permanent representative of Sapar on the Board of Directors of Immeubles de Franche-Comté

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

Georges CHODRON DE COURCEL

Born 20 May 1950 – French national

Director

Chairman of the Governance, Appointments and Remuneration Committee

Member of the Investments and Shareholdings Committee

Number of FFP shares held for his personal account at 31 December 2016: 20 shares
Date of first appointment to the Board of Directors: 2 June 2005
Year in which current term expires: 2018
Business address: 32 rue de Monceau – 75008 Paris

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 Chief Operating Officer of BNP Paribas from June 2003 until June 2014.

CURRENT APPOINTMENTS

GCC Associés SAS		Chairman
Lagardère SCA	◆	Member of the Supervisory Board
Nexans	◆	Director
SCOR Holding (Switzerland) AG		Director
SCOR Global Life Rückversicherung Schweiz AG		Director
SCOR Switzerland AG		Director
SGLRI (Scor Global Life Reinsurance Ireland)		Director

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:
CNP (Belgium), SCOR SE, BNP Paribas, BNP Paribas (Suisse) SA, BNP Paribas Fortis Bank, Alstom, Verner Investissements SAS, Exane (adviser), Bouygues, Groupe Bruxelles Lambert (Belgium), Erbé SA (Belgium)

◆ *Listed company.*

Luce GENDRY

Born 8 July 1949 – French national

Director

Member of the Investments and Shareholdings Committee

Chairman of the Finance and Audit Committee

Number of FFP shares held for her personal account at 31 December 2016: 10 shares
Date of first appointment to the Board of Directors: 9 June 2010
Year in which current term expires: 2017
Business address: c/o Rothschild – 23 bis avenue Messine – 75008

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

CURRENT APPOINTMENTS

IDI	◆	Chairman
Cavamont Holdings Ltd		Chairman
Sucres et Denrées		Member of the Supervisory Board
Nexity	◆	Director

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:
Managing partner of Rothschild et Cie, managing partner of Rothschild et Cie Banque, director of INEA, SFR Group (formerly Numéricable)

◆ *Listed company.*

Dominique NETTER	Born 31 March 1951 – French national
Director **Member of the Investments and Shareholdings Committee**	**Number of FFP shares held for her personal account at 31 December 2016: 150 shares** **Date of first appointment to the Board of Directors:** 1 January 2016 **Year in which current term expires:** 2018 **Personal address:** 18 rue de l'Assomption – 75016 Paris

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

CURRENT APPOINTMENTS

Fitch Ratings Inc.	Director
Fitch Ratings Limited	Director

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

Christian PEUGEOT	Born on 9 July 1953 – French national
Director **Member of the Finance and Audit Committee**	**Number of FFP shares held for his personal account at 31 December 2016: 1,010 shares** **Date of first appointment to the Board of Directors:** 28 June 1979 **Year in which current term expires:** 2017 **Business address:** 2 rue de Presbourg – 75008 Paris

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. Since 1 January 2016, he has been Chairman of the CCFA (French automobile manufacturers association).

CURRENT APPOINTMENTS

SEB SA	◆	Permanent representative of FFP Invest on the Board of Directors
LISI	◆	Director
Compagnie Industrielle de Delle (CID)		Director
Établissements Peugeot Frères	G	Director and Vice-Chairman
PSP group	G	Director
CCFA (French automobile manufacturers association)		Chairman
Unifab (Union des Fabricants)		Chairman
SARL BP Gestion		Manager
Société Immobilière La Roche		Manager

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:

Representative of the management of Peugeot Média Production, Chief Operating Officer of Établissements Peugeot Frères, Vice-Chairman of Football Club Sochaux Montbéliard SA, Manager of SARL RP Investissements

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

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 at 31 December 2016: 10 shares
Date of first appointment to the Board of Directors: 27 June 2001
Year in which current term expires: 2017
Business address: 75 avenue de la Grande-Armée – 75116 Paris

Management expertise:
Xavier Peugeot is a graduate of Paris Dauphine University. After spending 4 years with 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 Products. He is currently Head of Products for the Citroën brand. He also chairs the L'Aventure Peugeot Citroën DS automobile heritage non-profit.

CURRENT APPOINTMENTS

Compagnie Industrielle de Delle (CID)		Director
Établissements Peugeot Frères	G	Director
PSP group	G	Director
Sapar		Chief Executive Officer and Director
L'Aventure Peugeot Citroën DS (non-profit organisation)		Chairman
Immeubles de Franche-Comté		Permanent representative of Sapar on the Board of Directors

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:

Chief Operating Officer of Établissements Peugeot Frères, FC Sochaux Montbéliard SA

G Company belonging to the same group as FFP.

Patrick SOULARD

Born 11 September 1951 – French national

Director

Member of the Finance and Audit Committee

Member of the Governance, Appointments and Remuneration Committee

Number of FFP shares held for his personal account at 31 December 2016: 10 shares
Date of first appointment to the Board of Directors: 23 April 1991
Year in which current term expires: 2018
Business address: c/o Unicredit – 117 avenue des Champs-Élysées, 75008 Paris

Management expertise:
Patrick Soulard is a graduate of IEP Paris (Institute of Political Studies) and the ENA school of administration and began his career in the French civil service, holding various positions with the Ministry of Finance from 1977 until 1986. He then joined BNP where he took on various roles. In 1996, he joined Société Générale where he held the position of Chief Operating Officer of Société Générale Corporate and Investment Banking until May 2009. In September 2010, he moved to Bryan Garnier & Co. as Managing Director of the investment bank, before being named in June 2011 Chief Executive Officer of Unicredit for France and an Executive Committee member of Unicredit CIB. Company director.

CURRENT APPOINTMENTS

Unicredit France		Chief Executive Officer
Havas	◆	Director
Kepler Capital Markets SA	◆	Director

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:

Director of Sicav Amundi Convertible Euroland

◆ Listed company.

Marie-Françoise WALBAUM

Born 18 March 1950 – French national

Director

Member of the Governance, Appointments and Remuneration Committee

Member of the Finance and Audit Committee

Number of FFP shares held for her personal account at 31 December 2016: 20 shares
Date of first appointment to the Board of Directors: 15 May 2013
Year in which current term expires: 2018
Personal address: 10 rue d'Auteuil – 75016 Paris

Management expertise:
Marie-Françoise Walbaum, who graduated from 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 (including in the management of principal investments, private equity funds and internal holding companies) commercial and management skills.

CURRENT APPOINTMENTS

Esso SAF	◆	Director and Chairman of the Accounts Committee
Thales	◆	Director
Imerys	◆	Director
Isatis Capital		Member of the Supervisory Board

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:
CNP – Belgian company, Vigeo, Adviser to Isatis Capital

◆ *Listed company.*

Alain CHAGNON

Born 6 July 1955 – French national

Chief Operating Officer, since 1 October 2003

Adviser to the Chairman (employee) since 9 March 2017

Number of FFP shares held for his personal account at 31 December 2016: 1,844 shares
Business address: 66 avenue Charles de Gaulle
92200 Neuilly-sur-Seine

Management expertise:
Alain Chagnon is a graduate of the ESSEC business school. He held management and financial positions with the PSA Group from 1977 until 1990, before moving into the steel sector. He has worked at FFP since 2002.

CURRENT APPOINTMENTS

ONET		Member of the Supervisory Board
IDI	◆	Permanent representative of FFP INVEST, Vice-Chairman and Member of the Supervisory Board
Holding Reinier		Director
Gran Via 2008		Adviser
FFP INVEST	G	Chief Executive Officer
LDAP		Representative of FFP INVEST, member of the Executive Committee

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:
Gran Via 2008

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

Bertrand FINET	Born 6 September 1965 – French national
Chief Operating Officer since 2 January 2017	**Number of FFP shares held for his personal account at 31 December 2016: 0 shares** **Business address:** 66 avenue Charles de Gaulle 92200 Neuilly-sur-Seine

Management expertise:
Bertrand Finet graduated from Essec business school in 1988 and started his career in 1991 at 3i Group where he was Head of Shareholdings. He held this position for two years in London, before moving to the group's French subsidiary.
Thanks to his experience of markets in the English-speaking world, 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 to the Executive Committee of Fonds Stratégique d'Investissement (FSI) in 2009. He became executive director of Bpifrance, where he oversaw equity investments in SMEs, in 2013, and then executive director of Bpifrance's Mid & Large Cap division in April 2015. He was appointed as FFP's Chief Operating Officer in January 2017.

CURRENT APPOINTMENTS

None

APPOINTMENTS HELD IN THE PAST FIVE FINANCIAL YEARS BUT NOW ENDED:

Farinia, Assystem, Bpifrance Participations SA, Mersen, Sequana, Constellium, Vallourec, Technicolor, Consolidation et développement gestion, CDC Entreprises Capital Investissement, Bpifrance Investissement

2.7 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 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 Code, and the AMF's 2016 report on corporate governance and executive compensation.

TOTAL REMUNERATION PAID DURING 2016 TO CORPORATE OFFICERS AND DIRECTORS BY THE COMPANY AND, WHERE APPROPRIATE, BY CONTROLLED AND CONTROLLING COMPANIES

(in euros)	FFP	Controlled companies	Controlling company(1)
Robert Peugeot Chairman and Chief Executive Officer	642,635	None	40,000
Jean-Philippe Peugeot Vice-Chairman and Director	83,000	None	454,602(2)
Marie-Hélène Peugeot-Roncoroni Vice-Chairman and Director	83,000	None	86,190(3)
Georges Chodron de Courcel Director	67,500	None	None
Luce Gendry Director	67,500	None	None
Dominique Netter Director	55,500	None	None
Christian Peugeot Director	52,000	None	66,000
Xavier Peugeot Director	55,500	None	30,000
Patrick Soulard Director	64,500	None	None
Marie-Françoise Walbaum Director	64,500	None	None
Alain Chagnon Chief Operating Officer	464,152	None	None

(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 Chief Operating Officer of EPF.

PRINCIPLES UNDERPINNING THE REMUNERATION 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 €660,000 was authorised by shareholders at the Annual General Meeting on 9 June 2011.

At the Board of Directors' meeting on 11 March 2014, a decision was made to alter the allocation of attendance fees with a larger variable portion, in accordance with the recommendations of the AFEP-MEDEF's Corporate Governance Code.

Directors' annual remuneration consists of a fixed sum of €15,000 plus a variable allotment of €3,500 for each Board meeting attended.

A specific allocation of €15,000 is paid to the two Vice-Chairmen.

Each committee member receives €2,000 p.a. in fixed remuneration, plus a variable allocation of €3,500 per committee meeting attended.

The Chairman of each committee receives a fixed allocation of €5,000.

The Chief Operating Officer does not receive attendance fees.

Table 3 – Attendance fees paid to each director

	Attendance fees paid in 2015 (in euros)		Attendance fees paid in 2016 (in euros)	
Board members	**FFP**	**Controlling company[1]**	**FFP**	**Controlling company[1]**
Robert Peugeot	58,500	40,000	58,500	40,000
Jean-Philippe Peugeot	83,000	36,000	83,000	36,000
Marie-Hélène Peugeot-Roncoroni	83,000	36,000	83,000	36,000
Georges Chodron de Courcel	71,000	None	67,500	None
Luce Gendry	64,500	None	67,500	None
Dominique Netter	None	None	55,500	None
Christian Peugeot	38,000	81,000	52,000	66,000
Thierry Peugeot (until 6 May 2015)	19,000	81,000	None	66,000
Xavier Peugeot	52,000	40,000	55,500	30,000
Philippe Poinso (until 1 January 2016)	64,000	None	None	None
Patrick Soulard	57,500	None	64,500	None
Marie-Françoise Walbaum	64,500	None	64,500	None
TOTAL	**655,000**	**350,000**	**651,500**	**274,000**

(1) This refers to Établissements Peugeot Frères (EPF).

PRINCIPLES UNDERPINNING THE REMUNERATION OF EXECUTIVE DIRECTORS

The remuneration policy for FFP's executive directors is laid down by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee.

Table 1 – Remuneration, options and shares awarded to each executive director

	FY 2015 (in euros)	FY 2016 (in euros)
Robert Peugeot *Chairman and Chief Executive Officer*		
Remuneration due for the financial year (details in table 2)	642,529	642,635
Value of long-term variable remuneration granted during the financial year	Not applicable	Not applicable
Value of options granted during the financial year	Not applicable	Not applicable
Value of performance shares granted during the financial year (details in table 6)	Not applicable	€278,988 (4,164 shares)
TOTAL	**642,529**	**921,623**
Alain Chagnon *Chief Operating Officer*		
Remuneration due for the financial year (details in table 2)	433,875	464,152
Value of long-term variable remuneration granted during the financial year	Not applicable	Not applicable
Value of options granted during the financial year	Not applicable	Not applicable
Value of performance shares granted during the financial year (details in table 6)	Not applicable	€144,050 (2,150 shares)
TOTAL	**433,875**	**608,202**

Table 2 – Summary table of each executive director's remuneration

		FY 2015		FY 2016	
Remuneration		**Amounts due** *(in euros)*	**Amounts paid** *(in euros)*	**Amounts due** *(in euros)*	**Amounts paid** *(in euros)*
Robert Peugeot *Chairman and Chief Executive Officer*	Fixed salary	581,149	581,149	581,339	581,339
	Bonus	None	None	None	None
	Exceptional payments	None	None	None	None
	Attendance fees	58,500	58,500	58,500	58,500
	Benefits in kind (vehicle)	2,880	2,880	2,796	2,796
TOTAL		**642,529**	**642,529**	**642,635**	**642,635**
Alain Chagnon *Chief Operating Officer*	Fixed salary	270,995	270,995	301,356	301,356
	Bonus	160,000	128,000	160,000	160,000
	Exceptional payments	None	20,000	None	None
	Attendance fees	None	None	None	None
	Benefits in kind (vehicle)	2,880	2,880	2,796	2,796
TOTAL		**433,875**	**421,875**	**464,152**	**464,152**

Table 4 – Stock options granted during the year to each executive director

Not applicable.

Table 5 – Stock options exercised during the year by each executive director

Not applicable.

TABLE 6 – PERFORMANCE SHARES GRANTED DURING THE YEAR TO EACH EXECUTIVE DIRECTOR

	No. and date of plan	Number of shares allotted during FY	Value of shares based on the method adopted in the consolidated financial statements	Vesting date	Availability date	Performance conditions
Robert Peugeot	No. 1 of 7 July 2016	4,164	€278,988	07/07/2016	07/07/2019	■ Absolute performance criteria: definitive vesting of one-third of the shares awarded if the rise in FFP's total NAV (including PSA) 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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).
Alain Chagnon	No. 1 of 7 July 2016	2,150	€144,050	07/07/2016	07/07/2019	Performance conditions identical to those shown above

Table 7 – Performance shares vesting during the financial year for each executive director

Not applicable.

Table 8 – Past stock option awards

Not applicable.

Table 9 – Past performance share awards

Not applicable.

Table 10 – Summary table of each executive director's long-term variable remuneration

Not applicable.

Table 11

Executive directors	Employment agreement Yes	Employment agreement No	Supplementary pension plan Yes	Supplementary pension plan No	Compensation or benefits due or that may fall due on cessation of or change in duties Yes	Compensation or benefits due or that may fall due on cessation of or change in duties No	Non-compete indemnity Yes	Non-compete indemnity No
Robert Peugeot *Chairman and Chief Executive Officer* Date of first appointment: 28 June 1979 Year in which current term expires: 2017		◆	◆			◆		◆
Alain Chagnon *Chief Operating Officer* From 1 October 2003 to 9 March 2017	Suspended*		◆			◆		◆
Bertrand Finet *Chief Operating Officer* Since 2 January 2017		◆	◆		◆			◆

The 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 (€308,928 in 2016). The contributions made by the Company stood at €16,999 in 2016 for each of the corporate officers.

Miscellaneous undertakings

Certain undertakings were given by the Company to corporate officers pursuant to Article L. 225-42-1 of the French Commercial Code concerning:

- the terms and conditions under which the Alain Chagnon's employment agreement, suspended upon his appointment as a corporate officer, would resume upon cessation of his office[(1)].

  These undertakings were subject to the procedure covering related party agreements and approved at the Annual General Meeting on 15 June 2007. They are as follows:

  - the remuneration due under the employment agreement upon its resumption shall be equal to the last fixed remuneration determined by the Board of Directors plus the average of the three most recent bonus payments,
  - the length of his/her corporate office shall be considered as part of his/her length of service at the Group, which is used to calculate the length of service under his/her employment agreement, plus all the years that he/she has spent in the PSA Group as an employee,
  - lastly, a decision was made to arrange unemployment insurance under normal conditions providing protection for 18 months, equivalent to the protection he/she would have received had he/she been an employee;
- the terms under which Bertrand Finet will receive, should his corporate office be terminated by the Board other than for serious misconduct, a termination benefit amounting to:
  - 6 months' fixed and variable remuneration should his corporate office be terminated in its first year,
  - 1 year's fixed and variable remuneration should his corporate office be terminated after its first year,
  - 2 years' fixed and variable remuneration should his corporate office be terminated after the second year,

  subject to fulfilment of the performance conditions determined by the Board.

This undertaking was approved in accordance with the procedure covering related party agreements at the Annual General Meeting on 9 March 2017.

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 will also be submitted for shareholders' approval at the Annual General Meeting of 11 May 2017 (Fourteenth Resolution).

None of the members of the Board of Directors of the Company and/or of any its subsidiaries hold a service contract providing for the grant of benefits at the end of such contract other than those stated in this section.

* *Alain Chagnon's corporate office was terminated on 9 March 2017, when he became Adviser to the Chairman. As of this date, his employment agreement, which was suspended upon his appointment as a corporate officer, came into force again.*

Remuneration due or awarded in respect of FY 2016 to each of the Company's executive directors subject to shareholders' say on pay

As recommended in the AFEP-MEDEF Code, the following components of remuneration due or awarded in respect of the previous financial year to each of the Company's executive directors are subject to shareholders' say on pay:

- fixed salary;
- 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 bonus or termination benefit;
- supplementary pension plan;
- benefits in kind of any type.

At the Annual General Meeting of 11 May 2017, shareholders will be given an advisory say on pay on the remuneration due or awarded in respect of FY 2016 to each of the Company's executive directors, namely:

- Robert Peugeot, Chairman and Chief Executive Officer; and
- Alain Chagnon, Chief Operating Officer.

Remuneration due or awarded in respect of FY 2016 to Robert Peugeot, the Chairman and Chief Executive Officer, subject to shareholders' advisory say on pay

Remuneration	Amounts or accounting value subject to the vote	Details
Fixed salary	€581,339	Gross fixed salary set by the Board of Directors on 10 March 2016 and unchanged since 2011.
Annual bonus	N/A	Robert Peugeot does not receive any annual bonus.
Deferred bonuses	N/A	Robert Peugeot does not receive any deferred bonuses.
Long-term incentives	N/A	Robert Peugeot does not receive any long-term incentive payments.
Exceptional payments	N/A	Robert Peugeot does not receive any exceptional payments.
Performance shares	€278,988	Robert Peugeot holds performance shares subject to the following conditions: ■ authorisation: Ordinary and Extraordinary General Meeting of 3 May 2016 (10th Resolution); ■ award decision: Board of Directors' meeting on 7 July 2016; ■ vesting period: 7 July 2016 to 7 July 2019; ■ holding period: no holding period, with shares available for sale from 7 July 2019. Even so, only 25% of the shares vested may be sold, as he is obliged to hold the remainder for his entire term in office; ■ number of shares: 4,164 or 0.017% of FFP's share capital at 31 December 2016; ■ performance conditions: • absolute performance criteria: definitive vesting of one-third of the shares awarded (1,388 shares) if the rise in FFP's total NAV (including PSA) 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 awarded (1,388 shares) if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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 awarded (1,388 shares) if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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).
Attendance fees	€58,500	As stated in the Internal Rules on directors' remuneration, Robert Peugeot received €58,500 pursuant to his appointment as a director of FFP.
Value of benefits in kind	€2,796	Company car.
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 Alain Chagnon, the Chief Operating 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 (€308,928 in 2016). The contributions made by the Company stood at €16,999 in 2016.

Remuneration due or awarded in respect of FY 2016 to Alain Chagnon, the Chief Operating Officer, subject to shareholders' advisory say on pay

Remuneration	Amounts or accounting value subject to the vote	Details
Fixed salary	€301,356	Gross fixed salary set by the Board of Directors on 10 March 2016.
Annual bonus	€160,000	Set at a maximum of €160,000. The bonus is determined using precise qualitative (capped at €96,000) and quantitative criteria (capped at €64,000), the choice and weighting of which are approved each year at the beginning of the year by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee. For 2016, the bonus is based on: ■ qualitative criteria linked to his contribution towards formulating and implementing strategy, managing responsibilities and teams and succession planning for his own role; and ■ quantitative criteria, which break down into two sub-criteria: • 50% linked to the performance of FFP's NAV excluding PSA compared with that of the Eurostoxx 600 index on a dividends reinvested basis. If performance is positive and exceeds that of the Eurostoxx 600 index, this portion is triggered progressively, with the maximum allocation for a performance of over 6%, and • 50% linked to the absolute performance of FFP's NAV excluding PSA. If performance is positive, this portion is triggered progressively, with the maximum allocation for a performance of over 8%. The bonuses paid to Alain Chagnon in respect of 2016 accounted for 53% of his fixed salary.
Deferred bonuses	N/A	Alain Chagnon does not receive any deferred bonuses.
Long-term incentives	N/A	Alain Chagnon does not receive any long-term incentive payments.
Exceptional payments	N/A	Alain Chagnon did not receive any exceptional payments in respect of 2016.
Performance shares	€144,050	Alain Chagnon holds performance shares subject to the following conditions: ■ authorisation: Ordinary and Extraordinary General Meeting of 3 May 2016 (10th Resolution); ■ award decision: Board of Directors' meeting on 7 July 2016; ■ vesting period: 7 July 2016 to 7 July 2019; ■ holding period: no holding period, with shares available for sale from 7 July 2019. Even so, only 25% of the shares vested may be sold, as he is obliged to hold the remainder for his entire term in office; ■ number of shares: 2,150 or 0.009% of FFP's share capital at 31 December 2016; ■ performance conditions: • absolute performance criteria: definitive vesting of one-third of the shares awarded (717 shares) if the rise in FFP's total NAV (including PSA) 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 awarded (717 shares) if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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 awarded (716 shares) if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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).

Remuneration	Amounts or accounting value subject to the vote	Details
Attendance fees	No payment	Alain Chagnon does not receive any attendance fees.
Value of benefits in kind	€2,796	Company car.
Termination benefit	N/A	Alain Chagnon is not eligible for any termination benefit.
Non-compete indemnity	N/A	Alain Chagnon is not eligible for any non-compete indemnity.
Supplementary pension plan	No payment	Like Robert Peugeot, Chairman and Chief Executive Officer, Alain Chagnon 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 (€308,928 in 2016). The contributions made by the Company stood at €16,999 in 2016.

2.8 Report on the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to executive directors

Pursuant to this report prepared in accordance with 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 salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type to executive directors.

Based on this report, a proposal will be submitted at the Annual General Meeting of 11 May 2017 to approve the remuneration policy for executive directors in respect of 2017, which was approved by the Board of Directors on 9 March 2017 on the recommendation of the Governance, Appointments and Remuneration Committee.

To this end, three separate resolutions will be submitted for shareholders' approval covering:

- Robert Peugeot, Chairman and Chief Executive Officer (11th Resolution);
- Alain Chagnon, Chief Operating Officer (12th Resolution); and
- Bertrand Finet, Chief Operating Officer (13th 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 11 May 2017 does not approve these resolutions, remuneration will be determined in accordance with the remuneration allotted in respect of the previous year or, where no remuneration was allotted in respect of the previous year, in accordance with the Company's customary practice.

Robert Peugeot

The remuneration package of the Chairman and Chief Executive Officer has only a fixed element; he does not receive any bonus or exceptional payments. On the recommendation of the Governance, Appointments and Remuneration Committee, the Board of Directors approved this gross remuneration of €640,000 at its meeting on 9 March 2017.

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.

Robert Peugeot will also be allotted 5,508 bonus FFP shares under an allotment plan, with performance conditions, approved by the Board of Directors at its meeting of 9 March 2017, defined as follows:

- absolute performance criteria: definitive vesting of one-third of the shares awarded if the rise in FFP's total NAV (including PSA) averages over 5% p.a. in 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 600 index (dividends reinvested) by more than 75bp p.a. up to a maximum of 150bp p.a. over the period from 31 December 2016 to 31 December 2019 (i.e. by 450bp over 3 years).

Lastly, the Chairman and Chief Executive Officer has a company car.

Alain Chagnon

Alain Chagnon's remuneration consists of a fixed salary and a bonus linked to attainment of objectives set by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee. At its meeting of 9 March 2017, the Board of Directors set his fixed salary at €300,000 gross (adjusted on a pro rata temporis to the end of his term in office, i.e. on 9 March 2017) and his bonus at a maximum of €160,000 gross (adjusted on a pro rata temporis to the end of his term in office, i.e. on 9 March 2017) payable in 2018 subject to the achievement of the following qualitative and quantifiable criteria:

- qualitative criteria (60% of the bonus) linked to facilitation of Bertrand Finet's integration within FFP, both internally and vis-à-vis external partners, and a smooth handover of responsibilities; and
- quantifiable criteria (40% of the bonus), breaking down into two sub-criteria:
  - 50% linked to the performance of FFP's NAV excluding PSA compared with that of the Eurostoxx 600 index on a dividends reinvested basis. If performance is positive and exceeds that of the Eurostoxx 600 index, this portion is triggered progressively, with the maximum allocation for a performance of over 6%, and
  - 50% linked to the absolute performance of FFP's NAV excluding PSA. If performance is positive, this portion is triggered progressively, with the maximum allocation for a performance of over 8%.

Alain Chagnon will also be allotted 2,582 bonus FFP shares under an allotment plan, with performance conditions, approved by the Board of Directors at its meeting of 9 March 2017, defined as follows:

- absolute performance criteria: definitive vesting of one-third of the shares awarded if the rise in FFP's total NAV (including PSA) averages over 5% p.a. in 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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).

Alain Chagnon's corporate office was terminated on 9 March 2017, when he became Adviser to the Chairman. As of this date, his employment agreement, which was suspended upon his appointment as a corporate officer, resumed under the following conditions:

- his remuneration due under the employment agreement upon its resumption shall be equal to the last fixed salary determined by the Board of Directors plus the average of the three most recent bonus payments; and
- the length of his corporate office shall be considered as part of his length of service at the Group, which is used to calculate the length of service under his/her employment agreement, plus all the years that he has spent in the PSA Group as an employee.

Lastly, Alain Chagnon has a company car.

Bertrand Finet

Bertrand Finet's remuneration consists of a fixed salary and a bonus linked to attainment of objectives set by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee. At its meeting of 9 March 2017, the Board of Directors set his fixed salary at €550,000 gross and his bonus at a maximum of €150,000 gross payable in 2018 subject to the achievement of the following qualitative and quantifiable criteria:

- qualitative criteria (60% of the bonus) linked to Bertrand Finet's integration within FFP, strategic insights, deal flow and perception of FFP in the markets; and
- quantifiable criteria (40% of the bonus), breaking down into two sub-criteria:
  - 50% linked to the performance of FFP's NAV excluding PSA compared with that of the Eurostoxx 600 index on a dividends reinvested basis. If performance is positive and exceeds that of the Eurostoxx 600 index, this portion is triggered progressively, with the maximum allocation for a performance of over 6%, and
  - 50% linked to the absolute performance of FFP's NAV excluding PSA. If performance is positive, this portion is triggered progressively, with the maximum allocation for a performance of over 8%.

Bertrand Finet will also be allotted 4,733 bonus FFP shares under an allotment plan, with performance conditions, approved by the Board of Directors at its meeting of 9 March 2017, defined as follows:

- absolute performance criteria: definitive vesting of one-third of the shares awarded if the rise in FFP's total NAV (including PSA) averages over 5% p.a. in 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 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).

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:

- 6 months' fixed salary and bonus should his corporate office be terminated in its first year, provided that he has fulfilled at least 50% of the qualitative performance criteria set by the Board for the first year;
- 1 year's fixed salary and bonus should his corporate office be terminated after the first year, provided that he has fulfilled at least 60% of the qualitative and quantifiable performance criteria to be set subsequently by the Board for 2018; and
- 2 years' fixed salary and bonus should his corporate office be terminated after the second year, provided that he has fulfilled the qualitative and quantifiable performance criteria to be set subsequently by the Board covering the previous 2 years.

This termination benefit was approved in principle in accordance with the procedure covering related party agreements at the Annual General Meeting on 9 March 2017.

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 will also be submitted for shareholders' approval at the Annual General Meeting of 11 May 2017 (14th Resolution).

Lastly, Bertrand Finet has a company car.

2.9 Summary statement of trading in FFP shares by corporate officers and connected persons in FY 2016

Robert Peugeot, the Company's Chairman and Chief Executive Officer, sold 729 and 271 FFP shares in the market on respectively 10 and 11 August 2016.

Jean-Philippe Peugeot, a director of the Company, inherited 3,966 FFP shares on 24 February 2016 and 2,650 FFP shares on 24 November 2016.

Two persons connected to Jean-Philippe Peugeot also inherited 438 FFP shares each on 24 November 2016 from the same estate.

2.10 Corporate governance declarations

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.

Declarations 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 barred 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.

Declarations concerning conflicts of interest

As far as the Company is aware, based on the declarations 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 accepted by a member of the Board of Directors concerning the sale, within a specific period of time, of all or any part of the shares that he/she possesses. The Internal Rules expressly address a situation in which 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 shall 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."*

2.11 Related-party transactions

No transactions were entered into with related undertakings.

2.12 Chairman's report on the preparation and organisation of the work of the Board of Directors and on internal control procedures put in place by the Company

Pursuant to Article L. 225-37 of the French Commercial Code, this report describes the preparation and organisation of the Board of Directors' work (Part 1), the internal control and risk management procedures implemented by the Company (Part 2), the arrangements for shareholders to participate in the Annual General Meeting (Part 3) and how the principle of the balanced representation of men and women on the Board of Directors is applied (Part 4).

This report, which the Chairman of the Board of Directors is responsible for preparing, was approved by the Board of Directors at its meeting on 9 March 2017.

The proper application of the rules laid down in this report was confirmed through interviews and meetings with the Company's various divisions (Executive Management, Finance and Legal Affairs).

The Company's internal control rules apply to companies falling within the scope of consolidation and also fully consolidated[1].

I – Preparation and organisation of the Board of Directors' work

The AFEP-MEDEF Corporate Governance Code is the code to which the Company referred in the preparation of this report and which it actually applies. This code, which was revised in November 2016, is available at the following address: http://www.afep.com/en/content/focus/corporate-governance-code-listed-corporations.

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

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors has ten members, all of whom are French nationals. The members of the Board possess a mix of recognised skills and expertise, particularly in industrial, financial and banking matters, which are applied consistently and make a high-quality contribution during discussions and the decision-making process.

Changes in the composition of the Board of Directors in FY 2016

The General Meeting on 3 May 2016 ratified the appointment of Dominique Netter as a director to fill the vacancy left by Philippe Poinso with effect from 1 January 2016 for the remainder of his term in office, that is until the General Meeting to be held in 2018 to approve the financial statements for the financial year ending on 31 December 2017.

Directors' independence

The criteria used to determine whether a director qualifies as being 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 discusses the independent status of its directors every year. Each director's status is then reviewed by the Board of Directors.

At its meeting on 9 March 2017, the Board of Directors took the view that in the 2016 financial year the following members qualified as independent: Georges Chodron de Courcel, Patrick Soulard, Luce Gendry, Dominique Netter and Marie-Françoise Walbaum.

Accordingly, the proportion of independent directors within the Company's Board of Directors came to 50% at 31 December 2016, a level commensurate with the requirements of the AFEP-MEDEF Corporate Governance Code, which specifies a ratio of 30% for controlled companies.

(1) Except for SCA Château Guiraud, wholly-owned by Financière Guiraud SAS, the sole object of which is to operate a vineyard.

CRITERIA FOR INDEPENDENCE	Georges Chodron de Courcel	Patrick Soulard	Dominique Netter	Marie-Françoise Walbaum	Luce Gendry
Not being 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 having been in such a position for the previous five years	✓	✓	✓	✓	✓
Not being 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	✓	✓	✓	✓	✓
Not being 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.	Though a former Chief Operating Officer of BNP Paribas SA, a company that has granted FFP three credit lines amounting to €197 million, the Board of Directors believes that he qualifies as an independent director based on: ▪ his retirement from BNP Paribas in September 2014; ▪ FFP's longstanding banking relationship with BNP Paribas SA; ▪ the fact that these credit lines were obtained on normal market conditions; ▪ the existence of other credit lines provided by other banks: FFP has credit lines totalling €737 million available to it, which were granted on comparable terms and conditions; ▪ the fact that it is normal for a holding company to have credit lines proportional to its activities.	✓	✓	✓	✓
Not being related by close family ties to an executive officer	✓	✓	✓	✓	✓
Not to have been an auditor of the company within the previous five years	✓	✓	✓	✓	✓
Not to have been a director of the company for more than 12 years	✓	The Board believes that he qualifies as independent, even though he has held office for over 12 years given the independence of mind and free thinking that he displays at Board meetings. His extensive knowledge of the Company's activities and the experience he has gained by serving on the Board have increased his freedom of expression and independent judgement. He is not influenced by any interest in the Company, which represents another token of his independence.	✓	✓	✓

OPERATING PROCEDURES OF THE BOARD OF DIRECTORS

The Board of Directors sets the long-term 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, FFP's Internal Rules and the Stock Market 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 Board of Directors shall also hold the duties of Chief Executive Officer. The Internal Rules lay down formal terms of reference for the specialised committees that act under the authority of the Board of Directors. The Internal Rules are included in the Registration Document.

At any time of 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 conduct 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 to each director to enable him/her 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 papers containing the preparatory documents for the points on the agenda.

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 Chief Operating Officer generally makes this presentation. Discussions take place with the constant aim of fostering debate between all the directors.

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 2016, the Board of Directors met ten times.

Date of meeting	Attendance rate
2 February 2016	100%
10 March 2016	100%
22 April 2016	80%
3 May 2016	100%
13 June 2016	90%
27 June 2016	100%
7 July 2016	100%
9 September 2016	100%
16 November 2016	100%
16 December 2016	80%
AVERAGE ATTENDANCE RATE	**95%**

BOARD COMMITTEES

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

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:

- Georges Chodron de Courcel, Chairman of the Committee;
- Jean-Philippe Peugeot;
- Marie-Hélène Peugeot-Roncoroni;
- Patrick Soulard;
- 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:

Concerning the 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; review every year on a case-by-case basis of the status of each director or director candidate based on the independence criteria adopted.

Concerning the Chairman and Chief Executive Officer and the Chief Operating Officer:

- reappointment of the Chairman and Chief Executive Officer and the Chief Operating Officer;
- succession plan for executive directors applicable in particular in the event of the unexpected vacation of their office;
- individual remuneration of the Chairman and Chief Executive Officer and the Chief Operating 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.

Concerning the 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.

Concerning governance:

- possible modes of Executive Management;
- monitoring changes in the corporate governance rules, especially those affecting the Code to which the Company refers;
- evaluation of the effectiveness of the Board and its 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 meets 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 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 papers containing the preparatory documents for the points on the agenda.

The Committee met three times during 2016. The average attendance rate at this Committee was 100%.

In 2016, the Committee considered the following matters:

- the composition of FFP Investment UK Ltd's Board of Directors;
- the review of independent directors' status;
- evaluation of the effectiveness of the Board and its committees;
- the attendance fees;
- the recruitment of a new Chief Operating Officer;
- the remuneration of the Chairman and Chief Executive Officer and of the Chief Operating Officer;
- the remuneration policy for management with the introduction of an incentive plan;
- an increase in the age limit for the Non-Executive Chairman laid down in the Articles of Association.

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

The Investments and Shareholdings Committee has seven 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;
- Luce Gendry, Dominique Netter;
- Jean-Philippe Peugeot, Xavier Peugeot;
- Marie-Hélène Peugeot-Roncoroni.

The Committee formulates an opinion on the investment and disposal files presented to it by FFP's Executive Management, before formal approval is given by the Board of Directors. To this end, it reviews all aspects of the transactions, 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, including the agenda and draft minutes of the previous meeting, is sent 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 papers containing the preparatory documents for the points on the agenda.

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

In 2016, the Investments and Shareholdings Committee met three times. The average attendance rate at this Committee was 95%.

In 2016, the Committee considered the following matters:

- the investment plans, some of which went ahead during the year, and private equity commitments;
- a review of the results of shareholdings.

The Financial and Audit Committee has 4 directors, 3 of whom qualified as independent based on the AFEP-MEDEF criteria.

It has the following members:

- Luce Gendry, Chairman of the Committee;
- Christian Peugeot, Patrick Soulard;
- Marie-Françoise Walbaum.

The Financial 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 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 papers containing the preparatory documents for the points on the agenda.

The Committee met twice during 2016. The average attendance rate at this Committee was 100%.

In 2016, the Committee considered the following matters:

- financial statements: review of the parent-company and consolidated financial statements for the year ended 31 December 2015 and of the management report on business trends and results in 2015, review of the first-half 2016 consolidated financial statements and interim financial report; review of the debt position; review of draft press releases on financial statements;
- risk management and internal control: review of the internal control and risk management section of the report by the Chairman of the Board of Directors;
- the reappointment of the Statutory Auditors.

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

EVALUATION OF THE EFFECTIVENESS OF THE BOARD OF DIRECTORS

In accordance with its Internal Rules, the Board conducts an annual evaluation of its organisation and its operating procedures.

This assessment took the form of a debate during the Board of Directors' meeting on 9 September 2016. During this debate, all the directors expressed their satisfaction with the number of meetings, the quality of the Board's papers and the points dealt with during meetings, and compliance with governance principles.

The following points for improvement were also raised:

- communication to the Board of a summary of the agreements entered into after each investment;
- a presentation on at least an annual basis of the results of FFP's shareholdings.

PRINCIPLES UNDERPINNING THE REMUNERATION OF NON-EXECUTIVE AND EXECUTIVE DIRECTORS

Non-executive directors' remuneration

Each director receives identical basic remuneration, plus a specific allotment reflecting their participation in the Committee work. Furthermore, the two Vice-Chairmen of the Board of Directors receive a specific allotment. In addition, the remuneration paid to each director reflects their attendance at meetings of the Board of Directors and its committees. The individual payments made to the directors during 2016 are presented in the management report.

Executive directors' remuneration

The Board is responsible for setting executive directors' remuneration based on the recommendations of the Governance, Appointments and Remuneration Committee.

Executive directors' remuneration consists of:

- a fixed salary for the Chairman and Chief Executive Officer;
- a fixed salary and a bonus for the Chief Operating Officer. The bonus is determined using precise qualitative and quantitative 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 2016, the bonus is based on:
  - qualitative criteria linked to the Chief Operating Officer's contribution to formulating and implementing the strategy, handling files and teams and succession planning for his own role, and
  - quantitative criteria, which break down into two sub-criteria:
    - 50% linked to the performance of FFP's NAV excluding PSA compared with that of the Eurostoxx 600 index on a dividends reinvested basis. If performance is positive and exceeds that of the Eurostoxx 600 index, this portion is triggered progressively, with the maximum allocation for a performance of over 6%, and
    - 50% linked to the absolute performance of FFP's NAV excluding PSA. If performance is positive, this portion is triggered progressively, with the maximum allocation for a performance of over 8%;
- performance shares awarded under an allotment plan instituted by the Board of Directors' meeting of 7 July 2016, acting pursuant to the authorisation of the General Meeting of 3 May 2016 (Tenth Resolution).

  Under this plan, 4,164 shares were awarded to the Chairman and Chief Executive Officer and 2,150 to the Chief Operating Officer.

  Full and final allotment of these shares occurs only after a vesting period ending on 7 July 2019, subject to compliance at the definitive allotment date with the allotment requirements and criteria set by the Board of Directors, chief among which the following performance criteria:
  - absolute performance criteria:
  - definitive vesting of one-third of the shares awarded if the rise in FFP's total NAV (including PSA) averages over 5% p.a. in 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 600 index 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 awarded if the increase in FFP's NAV excluding PSA exceeds that in the Eurostoxx 600 index 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).

The duly allotted shares shall not be subject to an additional holding after the vesting period. That said, grantees may sell only 25% of the number of shares allotted, and must hold the remaining shares until their term in office as a director comes to an end.

Neither of the executive directors receives exceptional payments, a defined-benefit supplementary pension or any other benefit falling within the scope of its recommendations.

That said, the corporate officers are members 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 (€308,928 in 2016). The contributions made by the Company stood at €16,999 respectively in 2016 for both of the executive directors.

The management report contains details of the total remuneration and benefits in kind of any type paid to the executive directors in 2016 and the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to executive directors.

Implementation of the AFEP-MEDEF Code's "comply or explain" rule

Provision of the AFEP-MEDEF Code not observed	Full explanation
Independent directors *Article 8.5: "The criteria to be reviewed by the committee and the Board in order for a director to qualify as independent (...) are the following: (…) not to have been a director of the company for more than 12 years"*	The Board of Directors decided to set aside the requirement that directors who have served for more than 12 years should not be regarded as independent. The Board believes that Patrick Soulard is independent, even though he has held office for over 12 years, given the independence of mind and free-thinking that he displays at Board meetings. His extensive knowledge of the Company's activities and the experience he has gained by serving on the Board have increased his freedom of expression and independent judgement. He is not influenced by any interest in the Company, which represents another token of his independence.

II – Internal control and risk management procedures implemented by the Company

RISK IDENTIFICATION AND MANAGEMENT PROCEDURES

Risk identification and management are described in greater detail in the management report.

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 that the company is responsible for defining and implementing to ensure:
  - compliance with laws and regulations,
  - implementation of the instructions and direction set by Executive Management,
  - proper functioning of the Company's internal processes, especially those relating to the protection of its assets,
  - the reliability of financial information.

  and generally speaking, contributes to control over its activities, the efficiency of its operations and 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 organisation structure providing a clear definition of responsibilities, suitable resources and competences that is 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 activities proportionate to the implications of each individual process and designed to reduce the risks that could affect the Company's ability to achieve its objectives;
- ongoing 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 management and accounting tasks, 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 the controls.

MAIN PARTICIPANTS IN THE INTERNAL CONTROL SYSTEM

The Board of Directors

The Board of Directors, with the assistance of the Financial and Audit Committee, is responsible for ensuring the effectiveness of the internal control system, as defined and implemented by Executive Management. If need be, the Board of Directors may make use of 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.

The Company's Chairman also serves as Chief Executive Officer. In this role, he/she is assisted by the Chief Operating Officer. The Chief Operating Officer oversees implementation on a day-to-day basis of the general policy defined in advance with the Chairman. The powers of the Chairman and Chief Executive Officer and of the Chief Operating Officer 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 may cap their rights to authorise the grant, on the Company's behalf, of sureties, 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.

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 Chief Operating Officer, the Chief Investment Officer, the Chief Financial Officer and the Chief Legal Officer hold a bimonthly 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 legislation applicable to it;
- informed in due time of any changes to it;
- can factor these rules into its internal procedures;
- can inform and train employees about the new rules and legislation 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 direction 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 proposed by Executive Management and given the go-ahead by the Board of Directors, after seeking 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 proposed to the Board of Directors. Investments in or divestments of portfolio investment securities are given the go-ahead by Executive Management, it being specified that investment outlays for all investment transactions must not exceed the maximum allocation 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 Chief Investment Officer 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 broadly, 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 board of the companies in which they hold shareholdings. The directors hold regular discussions with Executive Management and report on board activities and events to the Investments and Shareholdings Committee.

The 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 Chief Operating Officer, the Chief Investment Officer and the Chief Financial Officer hold very regular discussions concerning the monitoring of cash flows linked to calls for capital 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 endow the Company with the long-term financing required for its programme of financial investments at the lowest possible cost. Its debt position is established each time a drawdown is made and at least once per month. A status report on debt and related hedges is presented by Executive Management at each Board of Directors' meeting. For further information, see Note 29.2 to the 2016 consolidated financial statements on the management of liquidity risk.

d. Treasury monitoring

The Finance division has responsibility for managing treasury investments in keeping with the policy formulated by Executive Management. It is integrated with day-to-day cash management. It aims to invest available cash 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, in line with the conservatism 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 Financial and Audit Committee.

The consolidated financial statements are prepared for an interim period and for the full year in accordance with the regulations in force 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 Financial 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 points that are new, sensitive and liable to have a material effect on the financial statements or 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 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 the close represents a key factor affecting 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 the close;
- the checks on the main stages by the Chief Financial Officer provide an additional level of control;
- the rereading of the financial statements and reports by another person in the Finance division provides a consistency check, with special attention paid to changes with respect to the previous year;
- the final audit by the Statutory Auditors followed by a review by the Financial and Audit Committee.

b. Procedure of cataloguing 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. At its meeting on 16 November 2016, the Board of Directors renewed the authorisation given to the Chairman and Chief Executive Officer, which may be delegated, including to the Chief Operating Officer, to provide on the Company's behalf sureties, endorsements and guarantees in a maximum aggregate amount of €1,000,000, for a further period of 12 months from 1 January 2017 until 31 December 2017. This authorisation thus will be renewable at the end of 2017.

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. Where they exceed this level, they may be incurred only with the approval of Executive Management or 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 Chief Operating Officer are authorised to sign payments of an unrestricted amount. The Chief Legal Officer and two designated members of the Finance division are authorised to sign solely 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.

b. List of insiders

The Company updates on a regular basis the list of persons with access to inside information, which, if made public, would have a significant influence on the price of financial instruments. These persons, whether they be employees, directors or third parties in a business relationship with the Group, have been informed of the prohibition on using or disclosing this inside information to buy or sell such financial instruments.

c. Handbook of procedures and accounting organisation

The handbook of administrative and accounting procedures and risk map 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 can satisfy the availability, confidentiality and data integrity imperatives, the Company's corporate image and all the applicable statutory and regulatory guidelines.

III – Participation of shareholders in the Annual General Meeting

Every shareholder is entitled to attend General Meetings. That said, to have the right to attend, vote by post or to be represented at the General Meetings:

- holders of registered shares must be recorded on the Company's registers at least 2 days ahead of the date of the General Meeting;
- holders of bearer shares must, at least two days before the date of the General Meeting, provide the Company's head office with a certificate of temporary non-transferability issued by the custodian institution of their securities account, to prove that their shares are unavailable for sale until the date of the General Meeting.

If they are unable to attend General Meetings in person, 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, by decision of the Board of Directors published in the notice of meeting, by electronic communication.

IV – Application of the principle of the balanced representation of men and women on the Board of Directors

Women accounted for 40% of the members of the Board of Directors at 31 December 2016. 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.

V – Information on the capital structure and factors that may have an impact in the event of public offer

These factors are included in the management report.

2.13 Statutory Auditors' report in accordance with Article L. 225-235 of the French Commercial Code on the report prepared by the Chairman of FFP's Board of Directors

General Meeting called to approve the financial statements for the year ended 31 December 2016

To the Shareholders

In our capacity as Statutory Auditors of FFP and in accordance with the provisions of Article L. 225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Company's Chairman in accordance with Article L. 225-37 of the French Commercial Code on the financial year ended 31 December 2016.

It is the Chairman's responsibility to prepare and submit for the Board of Directors' approval a report on the internal control and risk management procedures implemented by the Company and to provide the other disclosures required by Article L. 225-37 of the French Commercial Code on its corporate governance framework.

Our role is to:

- report on any matters arising from the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- certify that the report contains the other disclosures required by Article L. 225-37 of the French Commercial Code. It should be noted that our role is not to verify the fairness of these other disclosures.

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

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

The professional standards require that we plan and perform the necessary procedures to assess the fairness of the information provided in the Chairman's report on the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information.

These procedures consist mainly in:

- apprising ourselves of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- apprising ourselves of the work involved in preparing this information and the existing documentation;
- determining if any material shortcomings in the internal control procedures relating to the preparation and processing of the accounting and financial information that we noted in the course of our assignment are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating to the Company's internal control and risk management procedures concerning the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with Article L. 225-37 of the French Commercial Code.

Other disclosures

We hereby confirm that the report prepared by the Chairman of the Board of Directors contains the other disclosures required by Article L. 225-37 of the French Commercial Code.

Signed in Paris and Courbevoie, 28 March 2017

The Statutory Auditors

MAZARS JEAN LATORZEFF	SEC3 Philippe SPANDONIS

3

INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

3.1 FFP and its shareholders

Information about the share capital

At 9 March 2017, the share capital stood at €25,072,589, consisting of 25,072,589 shares each with a par value of €1. It is important to note that:

- on 19 November 2009, 248,927 shares(1) were cancelled, representing 0.98% of FFP's share capital, pursuant to shareholder authorisation received under the Eighth Resolution at the Ordinary and Extraordinary General Meeting of 16 June 2009;
- on 8 March 2011, 1,800 shares(2) were cancelled, representing 0.01% of FFP's share capital, pursuant to shareholder authorisation received under the Sixth Resolution at the Ordinary and Extraordinary General Meeting of 10 June 2010;
- on 2 February 2016, 84,684 shares(3) were cancelled, representing 0.34% of FFP's share capital, pursuant to shareholder authorisation received under the Tenth Resolution at the Ordinary and Extraordinary General Meeting of 20 May 2014.

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 obliging all shareholders to identify themselves when crossing the 5%, 10%, 15%, 20%, 25%, 30%, 1/3, 50%, 2/3, 90% or 95% thresholds (statutory requirements) or the 2% threshold (requirement of the Articles of Association) of the share capital or voting rights.

No declarations of statutory disclosure thresholds or those specified by the Articles of Association being crossed were made in 2016.

CURRENT BREAKDOWN OF THE SHARE CAPITAL

Number of shareholders

At 31 December 2016, FFP had 158 direct or managed registered shareholders, who hold 81.32% of the share capital and 89.69% of voting rights. Bearer shareholders accounted for 18.68% of the share capital and 10.31% of voting rights.

Employee share ownership

At 31 December 2016, no members of FFP's staff held its shares. Nonetheless, FFP's Board of Directors allotted bonus shares to certain FFP employees on 7 July 2016. These shares will vest definitively on 7 July 2019 subject to the satisfaction of performance criteria.

CHANGES IN THE OWNERSHIP STRUCTURE (SHAREHOLDERS OWNING OVER 5% OF THE SHARE CAPITAL OR VOTING RIGHTS)

At 31 December 2016, 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 at 31 December 2016

Main shareholders identified	Number of shares	% of share capital	% of exercisable voting rights	% of theoretical voting rights
Établissements Peugeot Frères	**19,932,454**	**79.50%**	**87.73%**	**87.73%**
Treasury shares*	699	0%	0%	0%
Free float	5,139,436	20.50%	12.27%	12.27%
TOTAL	**25,072,589**	**100%**	**100%**	**100%**

* *Pursuant to the liquidity agreement and implementation of the share buyback programme.*

Analysis of the share capital and voting rights at 31 December 2015

Main shareholders identified	Number of shares	% of share capital	% of exercisable voting rights	% of theoretical voting rights
Établissements Peugeot Frères	**19,932,454**	**79.23%**	**87.57%**	**87.40%**
Treasury shares*	85,684	0.34%	0.19%	0.19%
Free float	5,139,135	20.43%	12.24%	12.41%
TOTAL	**25,157,273**	**100%**	**100%**	**100%**

* *Pursuant to the liquidity agreement and implementation of the share buyback programme.*

(1) *For the record, these shares were acquired on the basis of Article L. 225-209 of the French Commercial Code and corresponded to 246,727 shares repurchased for cancellation, and 2,200 shares repurchased to hedge a stock option plan that expired on 17 September 2009.*
(2) *For the record, these shares were acquired on the basis of Article L. 225-209 of the French Commercial Code and corresponded to 2,400 shares repurchased to hedge a stock option plan that expired on 19 December 2010.*
(3) *For the record, these shares were acquired on the basis of Article L. 225-209 of the French Commercial Code and corresponded to 84,684 shares repurchased for cancellation.*

Analysis of the share capital and voting rights at 31 December 2014

Main shareholders identified	Number of shares	% of share capital	% of exercisable voting rights	% of theoretical voting rights
Établissements Peugeot Frères	**19,932,454**	**79.23%**	**87.55%**	**87.43%**
Treasury shares*	63,300	0.25%	0.14%	0.14%
Free float	5,161,519	20.52%	12.31%	12.43%
TOTAL	**25,157,273**	**100%**	**100%**	**100%**

* *Pursuant to the liquidity agreement and implementation of the share buyback programme.*

Breakdown of theoretical voting rights at 31 December 2016

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 disclosure thresholds for shareholdings. At 31 December 2016, the total gross number of voting rights was 45,439,319, and the total net number of voting rights was 45,438,620.

Control of FFP

The Company refers to the AFEP-MEDEF Corporate Governance Code. Pursuant to these recommendations, which are set forth in the report by the Chairman of the Board of Directors on the work of the Board of Directors and on internal control, FFP implemented a set of measures to ensure the control of the Company is exercised fairly, including:

- five independent directors on its Board of Directors, which has a total of ten members;
- three specialised committees on which independent directors serve.

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.

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, shall notify the Company of the change in ownership within 15 days by registered letter with return receipt requested. Thresholds shall be deemed to be crossed when transactions are entered into on- or off-market, irrespective of how the securities are delivered.

This notification shall 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 held, 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 disclosure threshold requirements stated in the Articles of Association, 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 absence of notification is rectified.

RIGHTS ATTACHED TO SHARES

Form of the shares (Article 7 of the Articles of Association)

Fully-paid up shares may be held in registered or bearer form, at the shareholder's discretion. Shares are recorded in an account as provided for in law and the regulations. The Company is entitled to request the identity of the holders of securities granting immediate or future voting rights at its General Meetings, as well as the quantities held, as provided for in the legislation in force.

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 shall 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. Fully-paid up shares registered in the name of the same holder for at least four years shall 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 shall also attach from the issuance of the bonus registered 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 shall 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 electronically if the Board of Directors so decides and states in the notice of meeting. Legal entities shall 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 shall elect its own Chairman.

Shareholders’ agreements

SHAREHOLDERS’ AGREEMENTS CONCERNING FFP SHARES LODGED WITH THE AUTORITÉ DES MARCHÉS FINANCIERS

None.

DUTREIL AGREEMENTS (ARTICLE 885 I OF THE FRENCH GENERAL TAX CODE) CONCERNING FFP SHARES

None.

SHAREHOLDERS' AGREEMENTS ENTERED INTO BY FFP(1) WITH ITS SHAREHOLDINGS

Shareholding	Date of shareholders' agreement	AMF notification (where appropriate)	Duration	Main features of the shareholders' agreements
Holding d'Infrastructure de Transport (HIT)	07/11/2005	N/A	2028	Lock-up period ended in February 2008; pre-emption rights; tag-along rights and obligations; veto on major financing and investment decisions.
Holding Reinier – ONET	23/10/2007	N/A	2022	Pre-emption rights; tag-along rights and obligations; lock-up period ended on 23 October 2010; preference agreement between shareholders; veto on major financing and investment decisions.
IDI Emerging Markets	07/07/2008 as amended by supplemental agreement no. 1 on 08/09/2009 and by supplemental agreement no. 2 on 19/07/2017 and by supplemental agreement no. 3	N/A	10 years	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	26/07/2011	N/A	30/06/2021	Shareholders' agreement making arrangements to ensure the liquidity of CID shares.
LDAP	12/09/2013	N/A	Duration of the investment	Shareholders' agreement making arrangements to ensure the liquidity of LDAP shares.
CIEL	10/03/2014	N/A	FFP INVEST to hold at least 5% of the company's voting rights and the majority shareholders party to the agreement the majority of the company's voting rights	Shareholders' agreement making arrangements to ensure the liquidity of CIEL shares and governance applicable within the company.
Peugeot SA	28/04/2014	N/A	10 years	Shareholders' agreement providing for a standstill commitment by parties (FFP/EPF, French government and Dongfeng) not to increase their respective interest in the company and establishing governance rules for the company.
Zéphyr Investissement	05/10/2015	N/A	10 years	Shareholders' agreement making arrangements to ensure the liquidity of Zéphyr shares and establishing governance applicable within the company.
Tikehau Capital Advisors	15/06/2016	N/A	Duration of the investment	Shareholders' agreement making arrangements to ensure the liquidity of shares and establishing governance rules applicable within the company.
Ipsos	16/11/2016	N/A	5 years	Shareholders' agreement making arrangements to ensure the liquidity of Ipsos 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 are no longer in force, either because they have expired or because they have been terminated.

(1) Agreements to which FFP INVEST, its wholly-owned subsidiary, is party.

Dividends paid in the last 3 financial years

DIVIDEND POLICY

For many years, FFP's dividend policy has been to deliver a progressive and steady increase in the dividend as far as possible. At the forthcoming Annual General Meeting, the Board has decided to propose a dividend of €1.80 per share.

APPROPRIATION OF INCOME

The Board of Directors proposes appropriating income as follows:

Profit for the financial year	€207,814,783.43
Retained earnings	€0
Amount available for distribution	€207,814,783.43
Appropriation	
■ to shares	€45,130,660.20
■ to Other reserves	€160,000,000.00
■ to Retained earnings	€2,684,123.23

DIVIDEND PAYMENTS IN THE LAST THREE FINANCIAL YEARS

	2015	2014	2013
Number of shares	25,072,589	25,157,273	25,157,273
Par value of shares	€1.00	€1.00	€1.00
Dividend per share	€1.60	€2	€0

Transactions in the Company's shares

DETAILS OF THE 2016 SHARE BUYBACK PROGRAMME

Legal framework

At the Ordinary and Extraordinary General Meeting of 3 May 2016 (Eighth 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 3 May 2016.

The main characteristics of this Buyback Programme are presented in the 2015 Registration Document. This programme superseded that authorised at the Ordinary General Meeting of 6 May 2015 (Tenth Resolution).

This Buyback Programme was adopted for a period of 18 months with effect from the date of the General Meeting, that is until 2 November 2017. Pursuant to this authorisation, the maximum purchase price was set at €120 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 various objectives of this Buyback Programme were:

- for 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 acquisition of shares to be held and subsequently remitted as consideration or in exchange for shares as part of mergers or acquisitions in line with practices permitted 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 bonus 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 2016 financial year

- Shares bought back for cancellation: 84,684.
- Shares bought back for the purpose of maintaining the share's liquidity.

  In 2016, acting on behalf of FFP under a liquidity agreement and to maintain the liquidity of the share, Oddo Corporate Finance:

  - purchased 34,386 shares at an average price of €63.92 per share,
  - sold 34,687 shares at an average price of €63.88 per share,

  pursuant to the Tenth Resolution of the Ordinary General Meeting of 6 May 2015, then the Eighth Resolution of the Ordinary and Extraordinary General Meeting of 3 May 2016 (which supersedes the previous authorisation).

Cancellation of shares by the Company during 2016

On 2 February 2016, 84,684 shares were cancelled, representing 0.34% of FFP's share capital, pursuant to shareholder authorisation received under the Tenth Resolution at the Ordinary and Extraordinary General Meeting of 20 May 2014.

Any reallocations

The shares purchased by the Company pursuant to the authorisation provided by the Eighth Resolution adopted by the Ordinary and Extraordinary General Meeting of 3 May 2016 or any prior authorisation have not been assigned for purposes other than the original objectives assigned when they were repurchased.

Total amount of trading costs

The total amount of trading costs came to €30,000 in respect of purchases with a view to maintaining the share's liquidity.

Number of shares held in treasury at year-end 2016

Percentage of capital held in treasury directly or indirectly	0.003%
Number of shares cancelled in the past 24 months	84,684
Number of shares held in the portfolio	
o/w liquidity agreement	699
▪ o/w coverage of stock options plans	0
▪ o/w shares held for cancellation	0
THAT IS:	**699 shares**
Value of the shares stated at acquisition cost	€48,803.92

Factors that may have an impact in the event of a public tender offer

There are no shareholders' agreements or lock-up undertakings as such. 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 shall carry double voting rights.

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 (joint-stock corporation) registered under French law. FFP is governed by French law, including the French Commercial Code, and is registered on the Nanterre Trade and Companies Register under no. 562 075 390.

Date of incorporation: 30 July 1929. Scheduled end of life: 18 July 2028.

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 adjacent 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)

Distributable profit 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

4.1 Investments and divestments[1] during the year

Partial sale of investment in ONET

In 2007, FFP and the Reinier family joined forces to give fresh momentum to ONET SA. FFP invested €72 million in Holding Reinier, enabling the Reinier family to strengthen its control over ONET SA, which was delisted.

As part of agreements signed by FFP and the Reinier family in 2007, FFP was granted partial liquidity for its investment, and the two parties signed a memorandum of understanding on 5 November 2015. That resulted in the Reinier family acquiring half of FFP's stake for €45 million on 21 January 2016. FFP's stake in Holding Reinier, the company that owns almost 100% of ONET SA, was reduced to 11.2%. The shareholder agreement signed in 2007, which mainly concerns governance and liquidity arrangements, has been extended until 2022. FFP retains a seat on the Boards of Directors of Holding Reinier and ONET SA.

Investment in Tikehau Capital

The Tikehau Capital group is an independent asset manager, founded in 2004 by two partners (Antoine Flamarion and Mathieu Chabran). It initially focused on debt products, then on real estate and equity funds. The group has seen rapid growth, with assets under management rising from €1.6 billion in 2012 to almost €10 billion at the end of 2016. Tikehau Capital has a team of 170 people, and in July 2016 carried out capital increases totalling €510 million in order to continue its growth.

In 2016, FFP invested €73 million in the Tikehau Capital group, mainly through capital increases. At 31 December 2016, FFP owned 6.0% of Tikehau Capital Advisors (TCA), the group's holding company, and 4.0% of Tikehau Capital, its original investment vehicle.

Additional investment in LDAP

In 2013, FFP joined forces with Louis Dreyfus Armateurs to arrange the construction of and to operate four new handysize B-Delta 40 vessels, which are innovative and highly fuel efficient. Those vessels were delivered and came into service in 2015. In 2015, LDAP – in which FFP owns a 45% stake – also acquired a fifth new vessel, of the same type as the first four.

In late June 2016, FFP took part in a €10.5 million capital increase to the extent of its entitlement, i.e. €4.7 million. As a result, FFP's investment in LDAP amounted to €19.8 million at 31 December 2016.

Additional investment in IHS

FFP has invested $77.5 million in IHS, mainly in 2014. The most recent $2.5 million tranche of this investment was called in August 2016. IHS owns or manages almost 21,000 telecom towers in five African countries.

Investment in Lapillus II

FFP invested €10 million 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 m² 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. The tower offers an attractive yield and will be managed by the fund for several years.

Investment alongside ELV

FFP has joined forces with several families in Europe as part of the development of several real-estate projects in the USA, which are being devised and managed by a US team of professionals within ELV Associates, which was founded in 1991. In 2016, FFP invested $28.9 million in seven of these projects. The projects mainly involve residential developments, but also office and retail developments.

Co-investment in Roompot

In October 2016, FFP invested alongside PAI Partners in Roompot, the Netherlands' leading holiday park operator. Of the €11 million investment, €8.8 million was called in 2016.

Investment alongside JAB Holding

JAB Holding Company is an unlisted group led by three partners: Peter Harf, Olivier Goudet and Bart Becht. Since 2012, in addition to its activities in the healthcare, household cleaning, cosmetics and luxury goods sectors, JAB Holding Company has built up a conglomerate that is now a global leader in the coffee and tea sector, focusing on three segments:

- mass-market coffee, comprising JDE (brands including Senseo, Gevalia, L'Or and Jacobs) and Keuring Green Mountain (brands including Green Mountain Coffee and Donut Shop Coffee);
- premium coffee and coffee shops, with brands including Peet's Coffee and Tea and Caribou Coffee;
- distribution networks, with Krispy Kreme, Einstein Noah and Coffee & Bagels.

(1) The investments and divestments set out in this section were carried out directly by FFP or via its FFP INVEST and FFP Investments UK Ltd. subsidiaries, in which FFP directly or indirectly owns 100% of the equity.

The total revenue of these investee companies is around $12 billion.

At the end of 2016, FFP committed to invest $50 million in JAB CF Global Consumer Brand, the co-investment vehicle of JAB Holding Company. The co-investment vehicle will enable the group to continue its acquisition strategy. The investment commitment was signed in late 2016, and the first capital calls will take place in 2017.

Monetisation of Peugeot SA warrants

On 18 February 2014, as part of transactions to reorganise Peugeot SA's ownership structure, FFP and its majority shareholder Établissements Peugeot Frères (EPF) signed a standstill agreement with Agence des Participations de l'État (APE) and Dongfeng Motor Group Company Limited (Dongfeng). FFP also obtained 67.4 million share warrants exercisable under certain conditions until 29 April 2017.

In relation to these transactions, FFP sold 20,736,221 call options on Peugeot SA shares to two banks in two successive transactions in the first half of 2015. The options expire on 31 March 2017 and have a strike price of €6.428 per share, the same as the warrant strike price. The premiums received by FFP amounted to €163 million. EPF sold 4,872,706 calls to the same banks and on the same terms.

On 30 and 31 July 2015, FFP sold 8,126,349 warrants at an average price of €4.13, producing proceeds of €33.5 million. EPF sold 8,390,772 warrants on the same terms.

In December 2016, the two banks exercised their calls. As a result, FFP delivered 20,736,221 Peugeot SA shares and then exercised its warrants in order to bring the number of Peugeot SA shares it holds back up to the level held prior to the sale of those options. EPF delivered 4,872,706 Peugeot SA shares and also exercised its warrants to restore its shareholding.

Following those transactions, FFP and EPF hold the same number of shares as before the contracts were arranged, i.e. 84,323,161 and 26,298,895 Peugeot SA shares respectively, together representing 12.9% of the company's capital and 16.4% of its voting rights.

Private equity commitments

2016 was another very busy year for the private equity business. FFP committed over €77 million to several new funds (excluding co-investments), including €63 million to buyout (LBO) and development capital funds and around €15 million to adjacent unlisted asset classes.

FFP committed $15m to the Advent VIII international fund.

In the USA, FFP committed $15 million to the Vista Foundation III fund.

In Europe, FFP committed to two LBO funds: €10m to French fund Montefiore IV and €10m to German fund DBAG VII. FFP also committed to two technological growth capital funds, i.e. €10 million to French fund Keensight IV and $5m to the Israeli fund JVP Opportunity VII.

In emerging markets, FFP committed $10 million to the pan-African fund ECP Africa IV, and $5 million to Chinese fund ClearVue Partners II.

In 2016, calls for funds (excluding the aforementioned calls by IHS and Roompoot) amounted to €48 million. Funds carried out a number of disposals, leading to distributions of around €44 million in 2016.

4.2 Results and financial position

Consolidated results

FFP's consolidated net profit attributable to equity holders of the parent was €149.8 million in 2016, as opposed to €159.2 million in 2015. That profit breaks down as follows:

- FFP's share in the net earnings of associates was €18 million, compared with €31.6 million in 2015. The change compared with 2015 was mainly due to the deconsolidation of Holding Reinier, whose earnings are no longer accounted for under the equity method after FFP sold a 12.3% stake. FFP's share of net profit at LISI and Compagnie Industrielle de Delle rose to €20.1 million versus €15.4 million in 2015. Consolidated net profit also includes a €2.6 million loss on LDAP;
- income from available-for-sale securities totalled €171.7 million as opposed to €159.1 million in 2015. It included:
  - €36.3 million of dividends from non-consolidated companies versus €31.6 million in the year-earlier period,
  - a €115.9 million disposal gain on Peugeot SA shares after counterparty banks exercised their calls,
  - €19.5 million of net capital gains on money returned by private equity funds;
- general administration expenses amounted to €17.6 million versus €17.3 million in 2015, and the cost of debt was €10.4 million as opposed to €12.0 million in 2015.

Consolidated comprehensive income attributable to equity holders of the parent amounted to €181.8 million as opposed to €743.9 million in 2015. Comprehensive income for 2016 comprises the profit for the period, the €25.9 million increase in the value of non-consolidated financial assets, a €2.1 million negative change in the fair value of derivatives, a €2.6 million negative impact from changes in the equity of companies consolidated under the equity method and a €10.8 million negative impact from other remeasurements.

BALANCE SHEET AND CASH FLOWS

The main changes affecting the consolidated balance sheet were as follows:

- investments in associates fell by €63.5 million, mainly because of the sale of part of the Holding Reinier stake and the reclassification of remaining Holding Reinier shares as available-for-sale securities;
- investments in non-consolidated companies rose by €282 million, mainly because of the reconstitution of FFP's stake in Peugeot SA through the exercise of warrants after FFP delivered Peugeot SA shares to the banks that exercised their calls. Those transactions increased the value of FFP's stake in Peugeot SA by €115 million. The rest of the increase comprised various purchases made during the year;
- other non-current financial assets fell €202 million, because of the use of warrants to reconstitute FFP's stake in Peugeot SA;
- equity rose €142 million, corresponding to the change in comprehensive income less dividend payments made in 2016.

The consolidated cash position decreased slightly, falling €9.9 million to €6.4 million at 31 December 2016. The main cash flows in 2016 were as follows:

- net cash flow from operating activities: €18.2 million;
- the €73 million investment in the Tikehau group; €26 million of real-estate investments in the USA and €59 million of calls by private equity funds;
- €45 million from selling part of the Holding Reinier stake and €44 million of money returned by private equity funds;
- €40 million of dividends paid;
- €112 million of new drawings on FFP's credit facilities.

Parent-company results

Net profit amounted to €207.8 million in 2016 versus €30.6 million in 2015. It was made up mainly of the following items:

INCOME STATEMENT

Equity securities

Profit on equity investments amounted to €209.5 million as opposed to €1.5 million in 2015.

That profit consisted mainly of the capital gain on Peugeot SA shares sold after the two counterparty banks exercised their calls.

Current-account advances granted to the FFP INVEST subsidiary generated interest income of €3.0 million.

Portfolio Investment Securities

Portfolio Investment Securities generated a profit of €17.9 million in 2016 as opposed to €52.2 million in 2015.

That profit consisted mainly of €17.8 million of capital gains on money returned by private equity funds.

Other income statement items

Net financing items produced an expense of €10.1 million, versus €11.7 million in 2015. That expense was primarily made up of interest and fees relating to debt.

There was a net general administration expense of €7.4 million versus €6.8 million in 2015. Income tax produced an expense of €2.1 million, as opposed to €4.6 million in 2015. The 2016 expense corresponds to the tax payable to the French Treasury as a result of the tax consolidation arrangement.

BALANCE SHEET

Long-term investments amounted to €1,658.1 million at 31 December 2016, compared with €1,548.8 million a year earlier. The main changes during the period were as follows:

- equity securities rose €73.4 million after FFP's stake in Peugeot SA was reconstituted at a price higher than historic value, following the exercise of calls by counterparty banks. FFP delivered the shares that it previously owned to those banks, then used its warrants to reconstitute its stake;
- receivables connected with equity investments rose €85.9 million after further current-account advances to FFP INVEST;
- Portfolio Investment Securities fell €15.8 million because of money returned from private equity funds;
- other long-term investments fell €34.2 million after FFP exercised its warrants on Peugeot SA shares to reconstitute its position after the banks exercised their calls.

Current assets totalled €8.0 million, down €9.1 million on the previous year. The decrease was mainly the result of a smaller cash position.

Equity totalled €1,333.1 million after taking into account €207.8 million of profit for the year and €40.1 million of dividend payments.

Total debt amounted to €333.6 million as opposed to €397.1 million at end-2015. Debt was reduced by the recognition in profit and loss of the premiums received on sales of calls on Peugeot SA shares (€163.5 million) after the transaction was unwound by the counterparty banks exercising those calls; that was partly offset by the increase in debt resulting from new drawings on FFP's credit facilities.

4.3 Risk factors – Risk management and insurance

FFP has reviewed its risks and believes that there are no other material risks other than those set out below. Since FFP is a holding company, the main risks concern its assets.

Risks from owning a 9.81% stake in Peugeot SA

IDENTIFICATION OF RISKS

After changes in Peugeot SA's ownership structure in the spring of 2014, the risks for FFP have changed. FFP and its parent company Établissements Peugeot Frères are no longer the largest shareholder in Peugeot SA, but one of three major shareholders alongside Dongfeng Motor Group Company Limited and the French government. As a result, FFP no longer consolidates Peugeot SA's results, which therefore 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 at 31 December 2016. A fall in the Peugeot SA share price therefore has a material impact on FFP's valuation. Similarly, if Peugeot SA reduced or scrapped its dividend for several years, that would limit FFP's ability to continue 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 a non-voting member of the Supervisory Board.

Risk of fluctuating share prices

IDENTIFICATION OF RISKS

Peugeot SA and some other shareholdings are stockmarket-listed. Their valuation fluctuates as markets move. A material and prolonged decline in stock market-listed values could affect FFP in several ways:

- it would push down the value of its shares, which could reduce FFP's ability to make distributions to shareholders;
- it would reduce the value of its assets, which could affect its banking covenant ratios.

RISK MANAGEMENT

Impairment of equity securities in the parent-company financial statements depends on value in use, which is partly based on the holding period. FFP is a long-term investor, and assesses changes in the value of its assets over a long period.

For a decline in stock market-listed valuations to cause FFP to breach the second banking covenant presented in Note 29.2 to the 2016 consolidated financial statements, the value of all of FFP's listed and unlisted assets would have to fall by almost 69%, which seems unlikely to happen. As a result, the risk appears limited, especially since the value of FFP's assets is spread across a diverse range of investments.

Risks associated with FFP's financial investments

RISKS RELATING TO PURCHASES OF SHAREHOLDINGS

Identification of risks

The main risks relating to a transaction involving an investment in a company, listed or unlisted, concern:

- a partial or total loss of value;
- a lack of liquidity for FFP as shareholder.

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. The Investments and Shareholdings Committee guides the decisions made by the Board of Directors.

In all cases, FFP makes the usual investment checks regarding aspects including the investee's strategic position, competitive environment, financial position, valuation, governance rules and exit conditions. In addition, and because of our 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 share the same business philosophy.

FFP supports its investee companies by having at least one person sitting on their board in most cases.

FFP invests in listed companies, in which case the liquidity of its investments is assured, and also in unlisted companies. As regards unlisted companies, FFP ensures that shareholder agreements ensure eventual liquidity. However, those arrangements do not guarantee liquidity for FFP, particularly if an IPO is not possible or if no private, trade or financial buyer can be found.

RISKS RELATING TO PRIVATE EQUITY TRANSACTIONS

Identification of risks

As regards private equity, FFP's risks relate to a fall in the value of private equity funds' investments. LBO funds invest using leverage, which increases the scope for both creating and losing value.

A decline in business levels or margins can cause investee companies 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 making any private equity investment, FFP's Executive Management carries out checks relating mainly to the competitive environment in which the fund will operate, the reputation of the fund's management and its historical returns. Executive Management also meets fund management teams on a regular basis, including in emerging-market countries, to assess the quality of their investments.

It may arise that some of the investee 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.

FFP's commitments to private equity funds are illiquid on a short-term view, although a secondary market has developed to allow investors to exchange fund units before maturity. However, illiquidity is limited on a long-term view to the extent that funds seek to sell their investments after a few years, and then distribute to unitholders their corresponding share of the proceeds. In addition, the life 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 which have greater potential than European companies that have undergone LBOs. Private equity funds in those countries use little or no leverage, which limits the financing problems experienced by some companies that have undergone LBOs in Europe. FFP seeks to work with well known management teams consisting of investment professionals. Emerging markets continue to represent a limited proportion of FFP's assets (4.8% of gross asset value at 31 December 2016).

RISKS RELATED TO REAL-ESTATE ASSETS

Identification of risks

The building in Gennevilliers that is 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 that is also exposed to real-estate risks. However, FFP is a shareholder in this listed company, and so the risk is managed in a similar way to that of other 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.

FFP has joined forces with several families in Europe to support the development of several real-estate projects in the USA, which are being devised 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.

Risk management

As regards the Les Grésillons building, 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, protecting FFP from a change in tenant until 2019. FFP maintains regular contact with its tenant, and the building is appraised every year.

As regards the real-estate 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.

RISKS RELATING TO OTHER ACTIVITIES

Identification of risks

Weather risks are inherent in the operations of Château Guiraud[(1)], which makes Sauternes wine designated as "premier cru classé" according to the 1855 classification, and influence production volumes.

Risk management

Available wine inventories are sufficient to cover customer demand if production should be insufficient.

Other financial risks

Other financial risks, including equity, exchange-rate, interest-rate and liquidity risks, are presented in Notes 29.1-29.5 to the 2016 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 2016 consolidated financial statements, which could occur in the situations described above.

INDUSTRIAL 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.

(1) Sole asset of SCA Château Guiraud, wholly-owned by Financière Guiraud SAS.

Risk management

When examining investment projects, FFP pays particular attention to the investee's business and the related risks, and if necessary 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.

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. The Company believes that it has little exposure to commercial risks, liability proceedings or proceedings to make good any deficiency in assets given the nature of its business and investments (purchases of minority stakes).

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.

4.4 Post-balance sheet events

On 6 March 2017, the PSA Group announced that it had formed an agreement with General Motors Co under which the operations of Opel-Vauxhall and the European operations of GM Financial would join the group. Those businesses were valued at €1.3 billion and €0.9 billion respectively. With the addition of Opel-Vauxhall, which generated revenue of €17.7 billion in 2016, the PSA Group will have 17% of the European market, making it Europe's second-largest carmaker.

On 19 January 2017, Safran and Zodiac Aerospace announced that they were in exclusive talks regarding Safran carrying out an agreed acquisition of Zodiac Aerospace followed by a merger of the two companies. FFP agreed not to tender its shares to the offer so as to remain a long-term shareholder of the new entity and to be represented on its Board of Directors, after signing a shareholder agreement specifying a 2-year lock-up period. The transaction would give rise to a world leader in aerospace equipment.

At the end of the year, Tikehau Capital completed two capital increases and combined all of the group's activities under Tikehau Capital. A public offer for its listed subsidiary Salvepar was completed. After those transactions, FFP owns 3% of Tikehau Capital. Tikehau Capital was listed on compartment A of the Euronext Paris regulated market, with a market capitalisation of around €1.5 billion. Tikehau Capital manages almost €10 billion of assets and has four business lines: private debt, real estate, equity investment and liquid strategies.

4.5 Trends and outlook

In 2016, the PSA Group increased its recurring operating margin for the third consecutive year to 6%, as well as achieving a 5.8% increase in vehicle sales volumes and improving its financial position with free cash flow of €2.7 billion. As a result, the group has raised the medium-term operational targets of its Push to Pass plan. It is now aiming to achieve an average recurring operating margin of over 4.5% in the Automotive division between 2016 and 2018 and 6% in 2021, along with revenue growth of 10% between 2015 and 2018 and a further 15% by 2021.

FFP's Investment Assets are continuing to perform well, supported by the quality of investees' business models and teams. The underlying trends driving their growth, such as growth in consumer spending in emerging-market countries, population ageing and growth in air traffic, remain highly relevant.

With its strengthened resources and around €400 million of unused credit facilities, FFP will continue its strategy of being an active investor with a long-term view, and will continue to apply criteria through which it demands high quality, selects investments carefully and ensures reasonable financial leverage

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 €17.5 million at 31 December 2016, versus €15.6 million at 31 December 2015.

FFP, via its wholly-owned FFP INVEST subsidiary, owns 72% 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 2016 consolidated financial statements.

Information on supplier payment terms (Article L. 441-6-1(1) of the French Commercial Code)

At the end of 2016, trade payables amounted to €204,262.66, versus €279,519.33 at end-2015, and no payables had been due for more than 30 days.

Main investments and divestments in 2014, 2015 and 2016

		Investments	Divestments
2014	New investments	**CIEL:** purchase of a 7.6% stake by subscribing to the reserved capital increase for €16 million	
	Reductions/additions	**Peugeot SA:** €115 million subscription to the capital increase and sale of preferential subscription rights for €59 million **LDAP:** €9.8 million disbursement relating to the start of work on four bulk carriers for delivery in 2015	**Zodiac Aerospace:** settlement of derivatives arranged in 2012, leading to the sale of €83 million of shares, with FFP retaining a 4% stake
	Private equity	**IHS:** $60 million co-invested alongside Emerging Capital Partners and Wendel **Portobello III:** €7 million* **PAI Europe VI:** €20 million* **IDI Emerging Markets III:** $5 million* **Gulf Capital II:** $7 million **China Harvest III:** €8 million*	**Sagard II:** commitment reduced by $2.2 million
2015	New investments	**EREN:** €28 million investment commitment, including €14 million disbursed as part of a $195 million capital increase	
	Reductions/additions	**Zodiac Aerospace:** purchase of a 1.16% stake in the market for €77 million **LDAP:** additional €3.0 million investment to finance the purchase of a new vessel	**ONET**: disposal of half of FFP's stake for €45 million **PSA:** monetisation of Peugeot SA warrants for €197 million
	Private equity	**IHS:** €14.7 million invested alongside Wendel in 2015 **Quilvest Club Fund:** $10 million* **Idinvest Digital II:** €5 million* **Synergy PE:** $4.5 million* **White Stone VI:** €10 million* **Tikehau Direct Lending:** €15 million* **Warburg Pincus XII:** $17.4 million* **Gilde Buy Out V:** €10 million* **AEA Investors Small Business Fund III:** $12 million*	
2016	New investments	**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:** $28.9 million investment in 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 **Roompot:** €11 million co-investment alongside PAI Partners in the Netherlands' leading holiday park operator **JAB CF Global Consumer Brand:** $50 million* commitment to the JAB Holding co-investment vehicle	
	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	
	Private equity	**IHS:** an additional $2.5 million invested in 2016 alongside Wendel **Advent VIII international:** $15 million* **Keensight IV:** €10 million* **Vista Foundation:** $15 million* **ECP Africa IV:** $10 million* **ClearVue Partners II:** $5 million* **Montefiore IV:** €10 million* **DBAG VII:** €10 million* **JVP Opportunity VII:** $5 million*	

* *Commitments, not completed investments.*

4

5

FINANCIAL STATEMENTS

5.1

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

(in thousands of euros)	Notes	31/12/2016	31/12/2015
Income from available-for-sale securities and other long-term investments	4	171,682	159,053
Income from investment properties	5	3,137	1,276
Income from other activities	6	3,171	3,303
Income from ordinary activities		**177,990**	**163,632**
General administrative expenses	7	(17,643)	(17,326)
Cash management income	8	1,142	744
Impairment of available-for-sale securities	9	(1,186)	(5,192)
Cost of debt	10	(10,385)	(12,045)
Pre-tax profit from consolidated companies		**149,918**	**129,813**
Share in the net profit or loss of associates	11	18,002	31,646
Consolidated pre-tax profit		**167,920**	**161,459**
Income tax (including deferred tax)	12	(18,270)	(2,957)
CONSOLIDATED NET PROFIT		**149,650**	**158,502**
Of which attributable to equity holders of the parent		149,786	159,170
Of which attributable to minority interests		(136)	(668)
Net profit attributable to equity holders of the parent per share *(in euros)*	13	**5.95**	**6.33**
Diluted net profit attributable to equity holders of the parent per share *(in euros)*	13	**5.97**	**6.35**
Number of shares outstanding		25,072,589	25,157,273
Par value per share *(in euros)*		1.00	1.00

Other comprehensive income

(in thousands of euros)	Notes	31/12/2016	31/12/2015
Consolidated net profit	14	**149,650**	**158,502**
Impact of equity-accounted companies on comprehensive income	14	(2,588)	8,555
Net effect of remeasuring available-for-sale financial assets at fair value(1)	14	25,887	580,233
Net effect of remeasuring derivative instruments at fair value	14	(2,087)	3,385
Net effect of other remeasurements taken directly to equity	14	10,816	(7,459)
Total other comprehensive income		**32,028**	**584,714**
CONSOLIDATED COMPREHENSIVE INCOME		**181,678**	**743,216**
Of which attributable to equity holders of the parent		181,814	743,884
Of which attributable to minority interests		(136)	(668)

(1) Of which impact of remeasuring equity securities taken to income.

Details on gross amounts and tax are provided in Note 14.

5.1

Consolidated balance sheet

ASSETS

(in thousands of euros)	Notes	31/12/2016	31/12/2015
Non-current assets			
Intangible assets			
Concessions, patents and similar items	15	**12**	**19**
Property, plant and equipment			
Investment properties	16	17,500	15,613
Land	16	13,347	13,341
Buildings	16	497	463
Vineyards	16	1,190	1,127
Other assets	16	1,200	1,318
		33,734	**31,862**
Non-current financial assets			
Investments in associates (accounted for under the equity method)	17	222,067	285,619
Available-for-sale assets (investments in non-consolidated companies)	17	2,967,371	2,685,762
Available-for-sale securities (Portfolio Investment Securities)	17	485,239	363,219
Other non-current financial assets	17	3,626	205,831
		3,678,303	**3,540,431**
Deferred tax assets	18	**3,311**	**20,891**
TOTAL NON-CURRENT ASSETS		**3,715,360**	**3,593,203**
Current assets			
Inventories	19	10,355	11,134
Current tax assets	18	2,021	-
Other receivables	20	1,502	1,275
Cash and cash equivalents	21	6,374	16,320
TOTAL CURRENT ASSETS		**20,252**	**28,729**
GRAND TOTAL		**3,735,612**	**3,621,932**

Consolidated balance sheet

LIABILITIES

(in thousands of euros)	Notes	31/12/2016	31/12/2015
Equity			
Share capital	22	25,073	25,157
Share premium	22	158,410	158,410
Reserves	22	2,736,783	2,585,594
PROFIT FOR THE YEAR *(attributable to equity holders of the parent)*	22	**149,786**	**159,170**
Total capital and reserves *(attributable to equity holders of the parent)*		**3,070,052**	**2,928,331**
Minority interests	22	(903)	(769)
TOTAL EQUITY		**3,069,149**	**2,927,562**
Non-current liabilities			
Non-current financial liabilities	23	586,861	593,194
Deferred tax liabilities	18	68,459	85,011
Provisions	24	550	398
Other non-current liabilities	26	603	325
TOTAL NON-CURRENT LIABILITIES		**656,473**	**678,928**
Current liabilities			
Current financial liabilities	23	4,713	4,642
Current tax liabilities	18	-	5,274
Other liabilities	26	5,277	5,526
TOTAL CURRENT LIABILITIES		**9,990**	**15,442**
GRAND TOTAL		**3,735,612**	**3,621,932**

Consolidated statement of cash flows

(in thousands of euros)		31/12/2016	31/12/2015
Consolidated net profit		**149,650**	**158,502**
Net additions to depreciation, amortisation and provisions		1,311	4,945
Gains or losses on disposals of non-current assets		(135,356)	(47,749)
Unrealised gains and losses resulting from changes in fair value		(1,849)	(79,650)
Share of profit or loss of equity-accounted entities, net of dividends received		(14,231)	(27,823)
Net cost of debt		10,385	12,045
Current and deferred tax expense		18,270	2,957
CASH FLOW BEFORE COST OF NET DEBT AND TAX	**(A)**	**28,180**	**23,227**
Current tax expense	(B)	(3,218)	(5,528)
Change in the operational working capital requirement	(C)	(6,724)	7,687
NET CASH FLOWS FROM OPERATING ACTIVITIES	**(D) = (A + B + C)**	**18,238**	**25,386**
Purchases of property, plant and equipment and intangible assets		(366)	(994)
Income from disposals of property, plant and equipment and intangible assets		-	-
Purchases and sales of treasury shares		22	(1,161)
Purchases of long-term investments (available-for-sale securities)		(169,231)	(148,228)
Income from disposals of long-term investments (available-for-sale securities)		84,452	47,044
Change in other non-current assets		(2,886)	32,885
NET CASH FLOW FROM INVESTING ACTIVITIES	**(E)**	**(88,009)**	**(70,454)**
Dividends paid during the period		(40,115)	(50,145)
Proceeds from new borrowings		112,171	1,392
Debt repayments		(1,243)	(52,274)
Change in other non-current financial liabilities		(602)	163,342
Net interest paid		(10,385)	(12,045)
NET CASH FLOW FROM FINANCING ACTIVITIES	**(F)**	**59,826**	**50,270**
Impact of measuring investments in money-market UCITS at fair value	(G)	(1)	(1)
CHANGE IN NET CASH AND CASH EQUIVALENTS	**(D + E + F + G)**	**(9,946)**	**5,201**
Cash and cash equivalents at beginning of period		16,320	11,119
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**6,374**	**16,320**

Statement of changes in consolidated equity

(in thousands of euros)	Par value of shares	Share premium	Treasury shares	Consolidated reserves and retained earnings	Asset valuation reserve	Total
Equity at 01/01/2015 (attributable to equity holders of the parent)	**25,157**	**158,410**	**(3,101)**	**1,264,429**	**790,859**	**2,235,754**
2015 comprehensive income				160,266	583,618	743,884
Dividends paid with respect to 2014				(50,145)		(50,145)
Treasury shares and other			(1,184)	22		(1,162)
Equity at 31/12/2015 (attributable to equity holders of the parent)	**25,157**	**158,410**	**(4,285)**	**1,374,572**	**1,374,477**	**2,928,331**
2016 comprehensive income				157,414	24,400	181,814
Dividends paid with respect to 2015				(40,115)		(40,115)
Treasury shares and other	(84)		4,236	(4,130)		22
Equity at 31/12/2016 (attributable to equity holders of the parent)	**25,073**	**158,410**	**(49)**	**1,487,741**	**1,398,877**	**3,070,052**

Dividends paid in 2015 with respect to 2014 amounted to €50,145 thousand, or €2.00 per share.

Dividends paid in 2016 with respect to 2015 amounted to €40,115 thousand, or €1.60 per share.

Notes to the consolidated financial statements

NOTE 1 ACCOUNTING POLICIES

The main accounting policies applied in the presentation of the consolidated financial statements are set out below. These policies were applied consistently to all the financial years shown.

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/internal_market/accounting/ ias/index_en.htm.

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 at 31 December 2016, were applied. No new standards applicable in 2016 had any material consequences for FFP's consolidated financial statements.

No new standards were applied early.

New IFRSs that will be applicable in future periods, subject to their adoption by the European Union, are as follows:

	Applicable to accounting periods starting on or after
■ IFRS 9 – Financial Instruments	01/01/2018
■ IFRS 15 – Revenue from Contracts with Customers	01/01/2018
■ IFRS 16 – Leases(1)	01/01/2019

(1) Not adopted by the European Union.

The potential impacts of these new standards on the Group's consolidated financial statements are currently being analysed.

The 2016 consolidated financial statements and the related notes were approved by FFP's Board of Directors on 9 March 2017.

1.1 SCOPE OF CONSOLIDATION

A. Parent company

FFP

Société anonyme (public limited company)

66, avenue Charles de Gaulle

92200 Neuilly-sur-Seine

Business activity: investment management

Listing market: Euronext Paris (compartment A)

B. 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.

C. 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 20-50% 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 available-for-sale securities and debts related to the purchase of those assets. They are remeasured at the period-end exchange rate at each balance sheet date. Exchange differences relating to assets are taken to reserves. Exchange differences on borrowings and renewable notes are taken to income.

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 IFRS 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 and unlisted available-for-sale 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:

- available-for-sale securities, divided between investments in non-consolidated companies and Portfolio Investment Securities;
- loans and receivables;
- assets measured at fair value through profit and loss, mainly warrants, cash and cash equivalents.

The classification depends on the reasons for which the financial assets were acquired. The classification of financial assets is determined at initial recognition.

A. Non-current financial assets

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. Available-for-sale securities

B1. 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.

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,
  - otherwise and where fair value cannot be measured in a reliable and appropriate manner, at historic cost, except where the Company's economic variables have deteriorated materially.

IMPAIRMENT

At each balance sheet date, FFP examines whether there is an objective indication of non-temporary or substantial impairment of financial assets. The following objective indications of impairment are used:

- material changes, with a negative effect on the technological, market, economic or legal environment in which the Company operates;
- a material or prolonged decline in the fair value of the shares below their purchase cost. FFP takes the view that a decline is material if the price or valuation has fallen by 30% relative to purchase cost; the decline is prolonged if the price or valuation has been below purchase cost for more than one year.

Securities in companies that are similar to private equity funds are written down using the same criteria as those used for private equity funds (see section B2).

Where a decline in the value of a security is established, the cumulative fair value adjustments recognised in equity are taken to income.

If fair value subsequently increases, the unrealised gain is recognised in equity until the final disposal of the securities.

B2. 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 from them.
These securities fall into the “available-for-sale securities” category. Subscription commitments are also reported in this line, with a balancing entry in the “non-current financial liabilities” line for their nominal value (see section 1.6C 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 equity, net of deferred tax.

IMPAIRMENT

Impairment may be recorded where fair value declines in a material or prolonged manner below the securities’ purchase cost:

- for listed securities, the same criteria are used as for equity securities;
- for private equity funds more than 90% invested, impairment is recognised if Net Asset Value remains below the purchase price in a material (at least 30%) or prolonged (more than 1 year) manner.

Impairment is treated in the same way as with equity securities.

B3. ACCOUNTING TREATMENT OF INCOME LINKED TO AVAILABLE-FOR-SALE SECURITIES

Where available-for-sale securities are sold, cumulative fair value adjustments recognised in equity are taken to income under “income from available-for-sale securities”.

Dividends received from these securities are recognised in the income statement under “income from available-for-sale securities” following the dividend payment decisions taken in the companies’ AGMs.

B. 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 subject to a non-material risk of changes in value in the event of an increase 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.

C. 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.

D. 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% 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

A. FFP

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.

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.

B. Société Château Guiraud

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 a balancing entry under consolidated equity. This expense is spread over the vesting period.

1.12 TREASURY SHARES

Treasury shares are either intended to be cancelled 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 available-for-sale securities are recognised following the dividend payment decisions taken in the companies' AGMs.

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 INFORMATION ON THE TREATMENT OF PEUGEOT SA SECURITIES

Following the reorganisation of Peugeot SA's ownership structure in 2014, FFP owned 84,323,161 Peugeot SA shares and 59,246,340 warrants at 31 December 2015.

In the first half of 2015, FFP sold 20,736,221 call options on Peugeot SA shares, expiring on 31 March 2017 and with a strike price of €6.428 per share, the same as the warrant strike price. FFP received total premiums of €163.5 million from selling the call options.

At the end of 2016, the banks that bought the call options exercised them. FFP therefore delivered 20,736,221 Peugeot SA shares and exercised its Peugeot SA warrants to reconstitute its initial holding.

Those transactions in Peugeot SA shares resulted in an accounting gain of €115.9 million before tax.

After the transactions, FFP holds the same number of shares as before the call option contracts were formed. The stake in Peugeot SA, recognised as available-for-sale securities under "Investments in non-consolidated companies", is valued at the share price at 31 December 2016, i.e. €15.50. The change in fair value of these AFS securities relative to their consolidated carrying amount is €407 million, which is taken directly to equity net of deferred taxes.

NOTE 3 SCOPE OF CONSOLIDATION

3.1 SCOPE OF CONSOLIDATION AT 31/12/2016

The scope of consolidation consists of:

Fully consolidated companies	% control	% interest
The parent company FFP:		
■ FFP INVEST	100.00%	100.00%
■ FFP Investment UK	100.00%	100.00%
■ FFP Investments US-1	100.00%	100.00%
■ FFP US-CC	100.00%	100.00%
■ FFP-Les Grésillons (private partnership)	100.00%	100.00%
■ Financière Guiraud (SAS)	71.62%	71.62%
■ Château Guiraud (private farming partnership)	100.00%	71.62%
Companies accounted for under the equity method:		
■ Zéphyr Investissements		46.67%
■ LDAP		45.00%
■ OPCI Lapillus		23.26%
■ Compagnie Industrielle de Delle (CID)		25.25%
■ LISI		5.09%

3.2 CHANGES IN SCOPE AND OWNERSHIP PERCENTAGES

FFP Investments US-1 and FFP US-CC

FFP Investments US-1 and FFP US-CC were created in early 2016 and are wholly owned by the FFP INVEST subsidiary. Their purpose is to carry out investments in US real-estate projects.

Holding Reinier

After the disposal of 1,697,579 shares in Holding Reinier to the Reinier family group in January 2016, the ownership percentage fell from 23.48% to 11.18%. After that transaction, Holding Reinier shares were reclassified from shares in companies accounted for under the equity method to available-for-sale securities in non-consolidated companies.

Zéphyr Investissement

FFP INVEST subscribed to the December 2016 capital increase in an amount of €190 thousand. FFP (via its FFP INVEST subsidiary) owns 46.67% of Zéphyr Investissements, which holds a 6.47% stake in EREN Renewable Energy.

Compagnie Industrielle de Delle

Unchanged relative to 31 December 2015.

OPCI Lapillus II

Via its FFP INVEST subsidiary, FFP has acquired 23.26% of OPCI Lapillus II. The company's purpose is to invest in buildings that it lets out to tenants.

LISI

Unchanged relative to 31 December 2015. The ownership percentage does not in itself require FFP to consolidate this company. However, FFP has significant influence over LISI, particularly because two of its directors sit on LISI's Board of Directors, one as a permanent representative of Compagnie Industrielle de Delle, which owns a 54.9% stake in LISI and in which FFP owns a 25.25% stake.

LDAP

Unchanged relative to 31 December 2015. FFP (via its FFP INVEST subsidiary) owns a 45% stake in LDAP. This company, which was set up in conjunction with Louis Dreyfus Armateurs, began operating in 2015.

NOTE 4 INCOME FROM AVAILABLE-FOR-SALE SECURITIES AND OTHER LONG-TERM INVESTMENTS

(in thousands of euros)	31/12/2016	31/12/2015
Income		
Dividends	36,326	31,614
Disposal gains	139,714	48,214
Total	**176,040**	**79,828**
Expenses		
Disposal losses	(4,358)	(465)
Total	**(4,358)**	**(465)**
GROSS INCOME STATEMENT IMPACT	**171,682**	**79,363**
Remeasurement at fair value	-	79,690
INCOME STATEMENT IMPACT	**171,682**	**159,053**

Disposal gains and losses include the €115,882 thousand gain on the delivery of Peugeot SA shares after the banks exercised their calls, and €19,474 thousand relating to gains and losses on money returned by private equity funds.

NOTE 5 INCOME FROM INVESTMENT PROPERTIES

(in thousands of euros)	31/12/2016	31/12/2015
Income		
Rent and other revenue	1,317	1,317
Expenses invoiced to tenants	163	249
Total	**1,480**	**1,566**
Expenses		
Rental and building management expenses	(193)	(251)
Total	**(193)**	**(251)**
GROSS INCOME STATEMENT IMPACT	**1,287**	**1,315**
Remeasurement at fair value	1,850	(39)
INCOME STATEMENT IMPACT	**3,137**	**1,276**

NOTE 6 INCOME FROM OTHER ACTIVITIES

(in thousands of euros)	31/12/2016	31/12/2015
Income		
Sales of merchandise	3,675	2,105
Other revenue	292	1,284
Change in inventories	(796)	(86)
INCOME STATEMENT IMPACT	**3,171**	**3,303**

NOTE 7 GENERAL ADMINISTRATIVE EXPENSES

(in thousands of euros)	31/12/2016	31/12/2015
Administrative expenses		
Staff	(8,153)	(6,922)
External expenses	(6,045)	(7,861)
Other expenses	(3,100)	(2,205)
GROSS INCOME STATEMENT IMPACT	**(17,298)**	**(16,988)**
Depreciation and amortisation of non-current assets (excluding investment properties)	(345)	(338)
INCOME STATEMENT IMPACT	**(17,643)**	**(17,326)**

NOTE 8 CASH MANAGEMENT INCOME

(in thousands of euros)	31/12/2016	31/12/2015
Income		
Cash investments		
■ Disposal gains	6	23
■ Other income	1,137	722
GROSS INCOME STATEMENT IMPACT	**1,143**	**745**
Remeasurement at fair value	(1)	(1)
INCOME STATEMENT IMPACT	**1,142**	**744**

NOTE 9 IMPAIRMENT OF AVAILABLE-FOR-SALE SECURITIES

(in thousands of euros)	31/12/2016	31/12/2015
Portfolio Investment Securities	(1,186)	(5,192)
INCOME STATEMENT IMPACT	**(1,186)**	**(5,192)**

NOTE 10 COST OF DEBT

(in thousands of euros)	31/12/2016	31/12/2015
Interest on FFP borrowings	(10,175)	(11,816)
Other	(210)	(229)
INCOME STATEMENT IMPACT	**(10,385)**	**(12,045)**

Cost of debt includes the impact of interest-rate hedges.

NOTE 11 SHARE IN THE PROFIT OR LOSS OF ASSOCIATES

(in thousands of euros)	31/12/2016	31/12/2015
Share in the profit or loss of associates		
Holding Reinier	-	6,380
Compagnie Industrielle de Delle (CID)	14,730	11,244
LISI	5,447	4,162
LDAP	(2,606)	(1,211)
OPCI Lapillus	375	-
Zéphyr Investissement	56	-
TOTAL	**18,002**	**20,575**
Provisions on associates		
Holding Reinier	-	11,071
TOTAL	**-**	**11,071**
INCOME STATEMENT IMPACT	**18,002**	**31,646**

5.1

NOTE 12 INCOME TAX

12.1 INCOME TAX EXPENSE

(in thousands of euros)	31/12/2016	31/12/2015
Current tax expense	(3,218)	(5,528)
Deferred tax	(15,052)	2,571
INCOME STATEMENT IMPACT	**(18,270)**	**(2,957)**

FFP and FFP INVEST have elected to adopt the tax consolidation regime since 1 January 2012.

12.2 RECONCILIATION BETWEEN THE STATUTORY TAX RATE IN FRANCE AND THE EFFECTIVE TAX RATE IN THE CONSOLIDATED FINANCIAL STATEMENTS

(in percentage)	31/12/2016	31/12/2015
Statutory tax rate in France	-28.9	-34.4
Effect of companies accounted for under the equity method	3.1	6.5
Income taxable at reduced rates	17.4	28.6
Other permanent differences	-2.5	-2.5
EFFECTIVE TAX RATE IN THE CONSOLIDATED FINANCIAL STATEMENTS	**-10.9**	**-1.8**

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 2017 Finance Act reduced the tax rate in France to 28.92% from 2020, including the additional contribution.

Capital gains on the securities of mostly property-related companies are taxed at 19%.

Deferred tax assets and liabilities have been calculated accordingly.

Permanent differences arise mainly from unrealised capital gains in the securities portfolio.

NOTE 13 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. 25,072,589 shares.

There are no financial instruments giving eventual access to the capital.

NOTE 14 DETAILS OF OTHER COMPREHENSIVE INCOME

	31/12/2016			31/12/2015		
(in thousands of euros)	Before tax	Tax	After tax	Before tax	Tax	After tax
Impact of equity-accounted companies on comprehensive income	(2,588)	-	(2,588)	8,555	-	8,555
Remeasurements of available-for-sale securities at fair value	18,801	7,086	25,887	597,626	(17,393)	580,233
Remeasurements of derivative instruments at fair value	(2,269)	182	(2,087)	5,164	(1,779)	3,385
Other remeasurements taken directly to equity	4,027	6,789	10,816	(7,459)	-	(7,459)
TOTAL	**17,971**	**14,057**	**32,028**	**603,886**	**(19,172)**	**584,714**

NOTE 15 INTANGIBLE ASSETS

(in thousands of euros)	Carrying amount at 01/01/2016	Additions	Disposals	Net amortisation	Carrying amount at 31/12/2016
Intangible assets	19	-	-	(7)	12
TOTAL	**19**	**-**	**-**	**(7)**	**12**

NOTE 16 PROPERTY, PLANT AND EQUIPMENT

16.1 CHANGES IN 2016, DEPRECIATION AND IMPACT OF FAIR VALUE MEASUREMENT

(in thousands of euros)	Land	Buildings	Investment properties	Vineyards	Others	Total
Gross						
At beginning of period	**13,341**	**1,505**	**15,613**	**2,575**	**3,743**	**36,777**
Purchases/additions	6	72	37	123	140	378
Disposals	-	-	-	-	18	18
Fair value remeasurement	-	-	1,850	-	-	1,850
At end of period	**13,347**	**1,577**	**17,500**	**2,698**	**3,901**	**39,023**
Depreciation						
At beginning of period	**-**	**1,042**	**-**	**1,448**	**2,425**	**4,915**
Purchases/additions	-	38	-	60	240	338
Disposals	-	-	-	-	-	-
At end of period	**-**	**1,080**	**-**	**1,508**	**2,665**	**5,253**
Net amount at beginning of period	**13,341**	**463**	**15,613**	**1,127**	**1,318**	**31,862**
NET AMOUNT AT END OF PERIOD	**13,347**	**497**	**17,500**	**1,190**	**1,236**	**33,770**

The investment property was externally appraised in December 2016.

16.2 CHANGES IN 2015, DEPRECIATION AND IMPACT OF FAIR VALUE MEASUREMENT

(in thousands of euros)	Land	Buildings	Investment properties	Vineyards	Others	Total
Gross						
At beginning of period	13,341	1,505	15,652	2,417	2,923	**35,838**
Purchases/additions	-	-	-	158	1,071	1,229
Disposals	-	-	-	-	(251)	(251)
Fair value remeasurement	-	-	(39)	-	-	(39)
At end of period	13,341	1,505	15,613	2,575	3,743	**36,777**
Depreciation						
At beginning of period	-	1,076	-	1,388	2,218	**4,682**
Purchases/additions	-	(34)	-	60	224	250
Disposals	-	-	-	-	(17)	(17)
At end of period	-	1,042	-	1,448	2,425	**4,915**
Net amount at beginning of period	13,341	429	15,652	1,029	705	**31,156**
NET AMOUNT AT END OF PERIOD	**13,341**	**463**	**15,613**	**1,127**	**1,318**	**31,862**

The investment property was externally appraised in December 2015.

NOTE 17 NON-CURRENT FINANCIAL ASSETS

17.1 POSITION AT 31/12/2016

(in thousands of euros) Securities	% control	Cost	Prior impairment on remaining securities	Cost net of prior impairment
I - Securities in associates (accounted for under the equity method)				
Holding Reinier				
Compagnie Industrielle de Delle	25.25	7,101	-	7,101
LDAP	45.00	19,403	-	19,403
LISI	5.09	14,889	-	14,889
OPCI Lapillus	23.26	10,000	-	10,000
Zéphyr Investissement	46.67	14,191	-	14,191
Subscription commitments		14,000	-	14,000
TOTAL		**79,584**	**-**	**79,584**
II - Available-for-sale assets - Investments in non-consolidated companies				
Peugeot SA	9.81	899,753	-	899,753
Zodiac Aerospace	5.17	183,899	(51,235)	132,664
DKSH	5.87	49,387	-	49,387
SEB SA	5.03	80,088	(25,976)	54,112
ORPEA	6.32	114,854	-	114,854
Ipsos	2.08	22,101	-	22,101
Immobilière Dassault	19.70	25,764	(4,142)	21,622
IDI	10.06	25,714	(15,838)	9,876
CIEL	7.55	16,355	-	16,355
Other securities		268,459	-	268,459
TOTAL		**1,686,374**	**(97,191)**	**1,589,183**
III - Available-for-sale assets - Portfolio Investment Securities				
Private equity funds				
French LBO funds		17,793	(9,635)	8,158
Co-investments		80,583	(7,586)	72,997
Emerging-market funds		42,747	(2,104)	40,643
Other funds		39,104	(68)	39,036
Subscription commitments		219,519	-	219,519
Total private equity funds		**399,746**	**(19,393)**	**380,353**
Other investments				
Equities		42,451	(7,537)	34,914
Other		8	(8)	-
Total other investments		**42,459**	**(7,545)**	**34,914**
TOTAL(1)		**442,205**	**(26,938)**	**415,267**
IV - Other non-current assets				
Peugeot SA (warrants)		-	-	-
Other		3,626	-	3,626
TOTAL		**3,626**	**-**	**3,626**
GRAND TOTAL		**2,211,789**	**(124,129)**	**2,087,660**

(1) The remeasurement of Portfolio Investment Securities at fair value, with changes taken to equity, totalled €71,158 thousand, consisting of an unrealised gain of €77,005 thousand and an unrealised loss of €5,847 thousand.

Measurement at 31 December					
Per unit (in euros)	Overall	Impairment taken to income	Impact of equity-accounted companies or fair value remeasurement taken to equity	Amount on the balance sheet 31/12/2016	Amount on the balance sheet 31/12/2015
					90,000
	120,839	-	113,738	120,839	111,296
	18,900	-	(503)	18,900	15,994
	43,790	-	28,901	43,790	40,329
	10,291	-	291	10,291	-
	14,247	-	56	14,247	14,000
	14,000	-	-	14,000	14,000
	222,067	**-**	**142,483**	**222,067**	**285,619**
15.50	1,306,587	-	406,834	1,306,587	1,366,457
21.82	327,141	-	194,477	327,141	329,540
65.14	248,820	-	199,433	248,820	223,348
128.75	324,646	-	270,534	324,646	238,536
76.76	292,559	-	177,705	292,559	281,202
29.85	27,587	-	5,486	27,587	-
42.49	52,473	-	30,851	52,473	43,023
26.00	18,880	-	9,004	18,880	17,987
0.17	19,082	-	2,727	19,082	19,238
	349,596	-	81,137	349,596	166,431
	2,967,371	**-**	**1,378,188**	**2,967,371**	**2,685,762**
	28,576	-	20,418	28,576	48,817
	107,988	(159)	35,150	107,988	81,955
	53,874	(689)	13,920	53,874	50,999
	42,888	-	3,852	42,888	16,108
	219,519	-	-	219,519	131,850
	452,845	**(848)**	**73,340**	**452,845**	**329,729**
	32,394	(338)	(2,182)	32,394	33,490
	-	-	-	-	-
	32,394	**(338)**	**(2,182)**	**32,394**	**33,490**
	485,239	**(1,186)**	**71,158**	**485,239**	**363,219**
	-	-	-	-	203,807
	3,626	-	-	3,626	2,024
	3,626	**-**	**-**	**3,626**	**205,831**
	3,678,303	**(1,186)**	**1,591,829**	**3,678,303**	**3,540,431**

5.1

17.2 CHANGES DURING 2016

(in thousands of euros)	01/01/2016		Additions		Disposals		31/12/2016	
Securities	**Number**	**Cost**	**Number**	**Cost**	**Number**	**Cost**	**Number**	**Cost**
I - Securities in associates (accounted for under the equity method)								
Holding Reinier	3,395,158	72,079		-	(3,395,158)	(72,079)	-	-
Compagnie Industrielle de Delle	40,265	7,101		-		-	40,265	7,101
LDAP	15,035,301	14,788	4,732,344	4,615		-	19,767,645	19,403
LISI	2,750,000	14,889		-		-	2,750,000	14,889
OPCI Lapillus		-	100,000	10,000		-	100,000	10,000
Zéphyr Investissement	14,000,000	14,000	190,917	191		-	14,190,917	14,191
Subscription commitments		14,000		-		-		14,000
TOTAL		**136,857**		**14,806**		**(72,079)**		**79,584**
II - Available-for-sale assets - Investments in non-consolidated companies								
Peugeot SA	84,323,161	784,696	20,736,221	314,254	(20,736,221)	(199,197)	84,323,161	899,753
Zodiac Aerospace	14,996,135	183,899		-		-	14,996,135	183,899
DKSH	3,820,000	49,387		-		-	3,820,000	49,387
SEB SA	2,521,522	80,088		-		-	2,521,522	80,088
ORPEA	3,811,353	114,854		-		-	3,811,353	114,854
Ipsos		-	924,337	22,101		-	924,337	22,101
Immobilière Dassault	1,210,209	24,917	24,748	847		-	1,234,957	25,764
IDI	726,146	25,714		-		-	726,146	25,714
CIEL	114,887,172	16,355		-		-	114,887,172	16,355
Other securities		144,992		147,068		(23,601)		268,459
TOTAL		**1,424,902**		**484,270**		**(222,798)**		**1,686,374**
III - Available-for-sale assets - Portfolio Investment Securities								
Private equity funds								
French LBO funds		30,284		325		(12,816)		17,793
Co-investments		66,465		14,118		-		80,583
Emerging-market funds		31,704		15,828		(4,785)		42,747
Other funds		20,916		31,007		(12,819)		39,104
Subscription commitments		131,850		143,250		(55,581)		219,519
Total private equity funds		281,219		204,528		(86,001)		399,746
Other investments								
Equities		42,436		15		-		42,451
Other		8		-		-		8
Total other investments		**42,444**		**15**		**-**		**42,459**
TOTAL		**323,663**		**204,543**		**(86,001)**		**442,205**
IV - Other non-current assets								
Peugeot SA (warrants)	59,246,340	87,210		-	(59,246,340)	(87,210)		-
Other		2,024		3,397		(1,795)		3,626
TOTAL		**89,234**		**3,397**		**(89,005)**		**3,626**
GRAND TOTAL		**1,974,656**		**707,016**		**(469,883)**		**2,211,789**

17.3 CHANGES DURING 2015

(in thousands of euros)	01/01/2015		Additions		Disposals		31/12/2015	
Securities	**Number**	**Cost**	**Number**	**Cost**	**Number**	**Cost**	**Number**	**Cost**
I - Securities in associates (accounted for under the equity method)								
Holding Reinier	3,395,158	72,079		-		-	3,395,158	72,079
Compagnie Industrielle de Delle	40,265	7,101		-		-	40,265	7,101
LDAP		-	15,035,301	14,788		-	15,035,301	14,788
LISI	2,750,000	14,889		-		-	2,750,000	14,889
Zéphyr Investissement		-	14,000,000	14,000		-	14,000,000	14,000
Subscription commitments		-		14,000		-		14,000
TOTAL		**94,069**		**42,788**		**-**		**136,857**
II - Available-for-sale assets - Investments in non-consolidated companies								
Peugeot SA	84,323,161	784,696		-		-	84,323,161	784,696
Zodiac Aerospace	11,644,135	106,648	3,352,000	77,251		-	14,996,135	183,899
DKSH	3,820,000	49,387		-		-	3,820,000	49,387
SEB SA	2,521,522	80,088		-		-	2,521,522	80,088
ORPEA	3,811,353	114,854		-		-	3,811,353	114,854
Immobilière Dassault	1,187,136	24,204	23,073	713		-	1,210,209	24,917
IDI	726,146	25,714		-		-	726,146	25,714
CIEL	114,887,172	16,355		-		-	114,887,172	16,355
Other securities		160,832		263		(16,103)		144,992
TOTAL		**1,362,778**		**78,227**		**(16,103)**		**1,424,902**
III - Available-for-sale assets - Portfolio Investment Securities								
Private equity funds								
French LBO funds		42,855		9,538		(17,061)		35,332
Co-investments		51,754		14,711		-		66,465
Emerging-market funds		31,407		9,196		(8,899)		31,704
Other funds		10,533		8,535		(3,200)		15,868
Subscription commitments		84,709		84,241		(37,100)		131,850
Total private equity funds		221,258		126,221		(66,260)		281,219
Other investments								
Equities		10,190		34,439		(2,193)		42,436
Other		8		-		-		8
Total other investments		**10,198**		**34,439**		**(2,193)**		**42,444**
TOTAL		**231,456**		**160,660**		**(68,453)**		**323,663**
IV - Other non-current assets								
Peugeot SA (warrants)	67,372,689	99,172		-	(8,126,349)	(11,962)	59,246,340	87,210
FAURECIA OCEANE		9,740		-		(9,740)		-
Other		3,111		86		(1,173)		2,024
TOTAL		**112,023**		**86**		**(22,875)**		**89,234**
GRAND TOTAL		**1,800,326**		**281,761**		**(107,431)**		**1,974,656**

17.4 UNREALISED LOSSES NOT INCLUDED IN THE INCOME STATEMENT AT THE BALANCE SHEET DATE

(in thousands of euros)	31/12/2016	31/12/2015
Available-for-sale assets - Investments in non-consolidated companies		
Unlisted equities	(531)	(4,604)
Available-for-sale assets - Portfolio Investment Securities		
Unlisted equities	-	-
Listed equities	(3,543)	(2,223)
Private equity funds	(2,304)	(1,031)
TOTAL	**(6,378)**	**(7,858)**

Private equity funds that are not subject to impairment charged to income are those that have carried out less than 90% of their planned investments. The performance of a fund is assessed globally, across all investments it makes. While a fund is in the investment phase, taking into account a permanent loss of value would amount to taking the view that it will make no returns on its future investments.

17.5 CONDENSED FINANCIAL INFORMATION RELATING TO ASSOCIATES

(in thousands of euros)	31/12/2016	31/12/2015
Holding Reinier		
Total assets	-	1,138,067
Total current and non-current liabilities	-	851,172
Revenue	-	1,587,698
Net profit attributable to equity holders of the parent	-	27,177
Compagnie Industrielle de Delle (CID)		
Total assets	1,683,681	1,499,107
Total current and non-current liabilities	807,375	695,631
Revenue	1,571,097	1,458,045
Net profit attributable to equity holders of the parent	58,346	44,540
LISI		
Share price at 31 December (in euros)	30.65	24.95
Total assets	1,672,525	1,489,008
Total current and non-current liabilities	807,304	695,563
Revenue	1,571,104	1,458,052
Net profit attributable to equity holders of the parent	107,008	81,764
OCPI Lapillus		
Total assets	51,002	-
Total current and non-current liabilities	6,739	-
Revenue	1,509	-
Net profit attributable to equity holders of the parent	1,612	-
LDAP		
Total assets	130,490	121,961
Total current and non-current liabilities	88,489	86,421
Revenue	12,154	5,914
Net profit attributable to equity holders of the parent	(5,792)	(2,692)
Zéphyr Investissement		
Total assets	30,538	30,406
Total current and non-current liabilities	6	411
Revenue	-	-
Net profit attributable to equity holders of the parent	121	(6)

17.6 CHANGES

A. Investments in associates

(in thousands of euros)	31/12/2016	31/12/2015
Carrying amount at 1 January	285,619	206,451
Movements in cost price	(30,194)	42,788
Share in profit of associates	18,002	31,646
Other changes taken to equity	(6,360)	4,734
Releases of impairment	-	-
Transfers to available-for-sale securities	(45,000)	-
CARRYING AMOUNT AT 31 DECEMBER	**222,067**	**285,619**

B. Available-for-sale assets: investments in non-consolidated companies

(in thousands of euros)	31/12/2016	31/12/2015
Carrying amount at 1 January	2,685,762	2,035,447
Reversal of fair value measurement at 1 January	(1,260,860)	(672,669)
Cost price at 1 January	1,424,902	1,362,778
Transfers of investments in associates	45,000	-
Movements in cost price	216,472	62,124
Final cost price	1,686,374	1,424,902
Fair value measurement at the balance sheet date: cumulative impairment	(97,191)	(97,191)
Fair value measurement at the balance sheet date: unrealised gains or losses	1,378,188	1,358,051
CARRYING AMOUNT AT 31 DECEMBER	**2,967,371**	**2,685,762**

C. Available-for-sale assets: Portfolio Investment Securities

(in thousands of euros)	31/12/2016	31/12/2015
Carrying amount at 1 January	363,219	259,491
Reversal of fair value measurement at 1 January	(39,556)	(28,035)
Cost price at 1 January	323,663	231,456
Movements in cost price	118,546	92,207
Final cost price	442,209	323,663
Fair value measurement at the balance sheet date: cumulative impairment	(28,124)	(32,936)
Fair value measurement at the balance sheet date: unrealised gains or losses	71,154	72,492
CARRYING AMOUNT AT 31 DECEMBER	**485,239**	**363,219**

D. Available-for-sale assets: other non-current financial assets

(in thousands of euros)	31/12/2016	31/12/2015
Carrying amount at 1 January	205,831	114,149
Reversal of fair value measurement at 1 January	(116,597)	(2,126)
Cost price at 1 January	89,234	112,023
Movements in cost price	(85,608)	(22,789)
Final cost price	3,626	89,234
Fair value measurement at the balance sheet date: cumulative impairment	-	-
Fair value measurement at the balance sheet date: unrealised gains or losses	-	116,597
CARRYING AMOUNT AT 31 DECEMBER	**3,626**	**205,831**

NOTE 18 TAX RECEIVABLE AND PAYABLE

18.1 CHANGES DURING 2016

(in thousands of euros)	Start of period	Goodwill	Profit/loss	Equity	Payments	End of period
Current tax liabilities	(5,274)	-	(13)	-	5,287	-
Current tax assets	-	-	(3,205)	-	5,226	2,021
SUB-TOTAL	**(5,274)**	**-**	**(3,218)**	**-**	**10,513**	**2,021**
Deferred tax assets	20,891	-	(17,726)	146	-	3,311
Deferred tax liabilities	(85,011)	-	2,674	13,878	-	(68,459)
SUB-TOTAL	**(64,120)**	**-**	**(15,052)**	**14,024**	**-**	**(65,148)**
TOTAL	**(69,394)**	**-**	**(18,270)**	**14,024**	**10,513**	**(63,127)**

18.2 CHANGES DURING 2015

(in thousands of euros)	Start of period	Goodwill	Profit/loss	Equity	Payments	End of period
Current tax liabilities	-	-	(5,579)	-	305	(5,274)
Current tax assets	1,143	-	-	-	(1,143)	-
SUB-TOTAL	**1,143**	**-**	**(5,579)**	**-**	**(838)**	**(5,274)**
Deferred tax assets	16,001	-	6,669	(1,779)	-	20,891
Deferred tax liabilities	(55,742)	-	(4,098)	(25,171)	-	(85,011)
SUB-TOTAL	**(39,741)**	**-**	**2,571**	**(26,950)**	**-**	**(64,120)**
TOTAL	**(38,598)**	**-**	**(3,008)**	**(26,950)**	**(838)**	**(69,394)**

NOTE 19 INVENTORIES

(in thousands of euros)	31/12/2016 Gross	Provision	Net	31/12/2015 Gross	Provision	Net
Wine	10,705	565	10,140	11,900	937	10,963
Other	215	-	215	171	-	171
TOTAL	**10,920**	**565**	**10,355**	**12,071**	**937**	**11,134**

NOTE 20 OTHER RECEIVABLES

(in thousands of euros)	31/12/2016 Gross	Provision	Net	31/12/2015 Gross	Provision	Net
Trade receivables	295	-	295	331	-	331
Government tax receivables (excluding income tax)	549	-	549	297	-	297
Other receivables	658	-	658	647	-	647
TOTAL	**1,502**	**-**	**1,502**	**1,275**	**-**	**1,275**

NOTE 21 CASH AND CASH EQUIVALENTS

21.1 CASH AND CASH EQUIVALENTS

(in thousands of euros)	31/12/2016	31/12/2015
Money-market UCITS	2,297	6,153
Cash	4,077	10,167
TOTAL CASH AND CASH EQUIVALENTS	**6,374**	**16,320**

The “Money-market UCITS” item consists of units in regular money-market SICAV funds expressed in euros.

5.1

21.2 CHANGE IN CASH AND CASH EQUIVALENTS

(in thousands of euros)	31/12/2016	31/12/2015
Cash and cash equivalents at end of period	6,374	16,320
Cash and cash equivalents at beginning of period	16,320	11,119
CHANGE IN CASH AND CASH EQUIVALENTS	**(9,946)**	**5,201**

21.3 ANALYSIS OF THE CHANGE IN CASH AND CASH EQUIVALENTS

(in thousands of euros)	31/12/2016	31/12/2015
Carrying amount at 1 January	16,320	11,119
Reversal of fair value measurement at 1 January	(1)	(2)
Cost price at 1 January	16,319	11,117
Movements in cost price	(9,945)	5,202
Final cost price	6,374	16,319
Fair value measurement at 31 December	-	1
CARRYING AMOUNT AT 31 DECEMBER	**6,374**	**16,320**

NOTE 22 EQUITY

22.1 EQUITY MANAGEMENT POLICY

The equity management policy relates to equity as defined under IFRS.

It is intended to secure 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 minority interests and to equity holders of the parent.

The portion attributable to minority 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 has for many years, and as far as possible, aimed to ensure a consistent and rising dividend.

22.2 COMPOSITION OF THE SHARE CAPITAL

FFP's share capital consists of 25,072,589 shares with par value of €1 each. The shares are fully paid-up.

22.3 EQUITY

(in thousands of euros)	31/12/2016	31/12/2015
FFP share capital	25,073	25,157
FFP share premiums	158,410	158,410
FFP statutory reserve	2,541	2,541
Treasury shares	(49)	(4,285)
Other reserves	2,734,291	2,587,338
Consolidated earnings	149,786	159,170
Minority interests	(903)	(769)
TOTAL	**3,069,149**	**2,927,562**

22.4 REMEASUREMENTS TAKEN DIRECTLY TO EQUITY AND RELATED DEFERRED TAX

(in thousands of euros)	31/12/2016	31/12/2015
Remeasurements recognised directly in equity at beginning of period	1,374,477	790,859
Decrease in remeasurements following disposals	-	-
Fair value remeasurements at end of period (net of tax)		
Available-for-sale assets	25,887	580,233
Interest-rate hedges	(2,087)	3,385
Equity derivatives	-	-
Other	600	-
REMEASUREMENTS RECOGNISED DIRECTLY IN EQUITY AT END OF PERIOD (A)	**1,398,877**	**1,374,477**
Deferred tax (B)	39,589	47,457
Total gross remeasurements at end of period (A+B)	1,438,466	1,421,934

22.5 BREAKDOWN OF REMEASUREMENTS BY TYPE

(in thousands of euros)	31/12/2016	31/12/2015
Available-for-sale assets		
Equity securities	1,337,613	1,312,109
Portfolio Investment Securities	68,996	68,613
Other non-current financial assets	-	-
Interest-rate hedges	(7,732)	(5,645)
Other	-	(600)
TOTAL	**1,398,877**	**1,374,477**

22.6 TREASURY SHARES

At 31 December 2016, the Company held 699 of its own shares purchased under a liquidity agreement. The shares held are recognised at cost and recognised as a reduction in equity.

22.7 BONUS SHARE PLAN

A. Plan details

On 7 July 2016, in accordance with the authorisation given by the Shareholders' General Meeting on 3 May 2016, 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 7 July 2019, 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 in terms of the increase in FFP's NAV between 31 December 2015 and 31 December 2018.

The maximum number of FFP shares that may be granted under the plan is 17,277.

At 31 December 2016, the coverage arrangements for the bonus share plan had not been determined.

B. Personnel costs resulting from the bonus share plan

The expense recognised for the period was €126 thousand.

NOTE 23 CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

23.1 POSITION

(in thousands of euros)	31/12/2016	31/12/2015
Bank borrowings		
FFP	328,000	216,000
Château Guiraud	7,165	7,519
Subscription commitments and shares not paid-up	240,739	156,336
Derivative instruments(1)	10,878	213,240
Other	79	99
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**586,861**	**593,194**
Bank borrowings		
FFP	-	-
Château Guiraud	3,569	3,398
Accrued interest on borrowings	1,144	1,244
TOTAL CURRENT FINANCIAL LIABILITIES	**4,713**	**4,642**
TOTAL FINANCIAL LIABILITIES	**591,574**	**597,836**

(1) 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 at 31 December 2016 was €10,878 thousand.

Subscription commitments and shares not paid-up comprised US-dollar commitments of €143,956 thousand in 2016 and €71,257 thousand in 2015.

All other commitments are stated in euros.

23.2 MATURITY SCHEDULE AT 31/12/2016

Maturity *(in thousands of euros)*	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Bank borrowings				
FFP borrowings	-	328,000	-	328,000
Château Guiraud borrowings	3,569	1,512	5,653	10,734
Derivative instruments	-	7,234	3,644	10,878
Subscription commitments and shares not paid-up(1)	-	240,739	-	240,739
Accrued interest on borrowings and other	1,144	79	-	1,223
TOTAL(2)	**4,713**	**577,564**	**9,297**	**591,574**

(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: €4,168 thousand in less than 3 months and €545 thousand in between 3 and 12 months.*

Credit facilities due to expire between 2017 and 2019, in an amount of €180 million, were renewed early in a total amount of €200 million. They are now due to expire in 2020 and 2021.

A new €100 million credit facility has been taken out, due to expire on 22 July 2019.

23.3 MATURITY SCHEDULE AT 31/12/2015

Maturity *(in thousands of euros)*	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Bank borrowings				
FFP borrowings	-	216,000	-	216,000
Château Guiraud borrowings	3,397	375	7,144	10,916
Interest rate hedges	-	213,240	-	213,240
Subscription commitments and shares not paid-up(1)	-	156,336	-	156,336
Accrued interest on borrowings and other	1,245	99	-	1,344
TOTAL(2)	**4,642**	**586,050**	**7,144**	**597,836**

(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: €4,485 thousand in less than 3 months and €157 thousand in between 3 and 12 months.*

Credit facilities due to expire between 2015 and 2018, in an amount of €230 million, were renewed early in a total amount of €220 million. They are now due to expire in 2018 and 2019.

23.4 SUBSCRIPTION COMMITMENTS AND SHARES NOT PAID-UP

(in thousands of euros)	31/12/2016	31/12/2015
Investments in associates		
Unlisted company	14,000	14,000
Available-for-sale securities		
Equity securities		
Unlisted securities	5,512	2,263
Portfolio Investment Securities		
French LBO funds	29,839	27,373
Co-investments	50,570	919
Emerging-market funds	34,827	35,514
Other funds	105,991	76,267
TOTAL	**240,739**	**156,336**

23.5 BORROWINGS AT 31/12/2016

	Outstanding amount at 31/12/2016			
(in thousands of euros)	Non-current	Current	Maturity	Interest rate
Bank borrowings				
FFP	10,000	-	2,018	Floating rate
	208,000	-	2,019	Floating rate
	110,000	-	2,020	Floating rate
Château Guiraud				
Borrowings	465	272	2017 to 2028	Fixed rate
	6,700	284	2,028	Floating rate
Warrants and cash facilities	-	3,013	2,017	Floating rate
Subscription commitments and shares not paid-up	240,739	-	-	-
Derivative instruments	10,878	-	-	-
Other	79	1,144	-	-
TOTAL FINANCIAL LIABILITIES	**586,861**	**4,713**		

23.6 BORROWINGS AT 31/12/2015

(in thousands of euros)	Outstanding amount at 31/12/2015 Non-current	Current	Maturity	Interest rate
Bank borrowings				
FFP	8,000	-	2,018	Floating rate
	176,000	-	2,019	Floating rate
	32,000	-	2,020	Floating rate
Château Guiraud				
Borrowings	600	282	2016 to 2025	Fixed rate
	6,919	-	2,028	Floating rate
Warrants and cash facilities	-	3,115	2,016	Floating rate
Subscription commitments and shares not paid-up	156,336	-	-	-
Derivative instruments	213,240	-	-	-
Other	99	1,245	-	-
TOTAL FINANCIAL LIABILITIES	**593,194**	**4,642**		

NOTE 24 PROVISIONS

24.1 CHANGES DURING 2016

				Releases		
(in thousands of euros)	01/01/2016	Provisions for business combinations	Additions	Amounts used	Amounts unused	31/12/2016
Employee benefits	398	-	152	-	-	550
TOTAL	**398**	**-**	**152**	**-**	**-**	**550**

24.2 CHANGES DURING 2015

				Releases		
(in thousands of euros)	01/01/2015	Provisions for business combinations	Additions	Amounts used	Amounts unused	31/12/2015
Employee benefits	402	-	22	-	26	398
TOTAL	**402**	**-**	**22**	**-**	**26**	**398**

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: 15 people.

The latest external assessment of pension obligations was carried out at 31 December 2016.

The assumptions used were as follows:

- discount rate: 1.40% (1.80% in 2015);
- inflation rate: 1.60%;
- rate of salary increase: inflation + individual increases.

As regards supplementary pension benefits, the total value of the Company's obligations was €240 thousand at 31 December 2016. Those obligations were covered by €8 thousand of external funds, and the difference of €232 thousand is recognised under provisions on the liabilities side of the balance sheet.

Obligations relating to post-employment benefits amounted to €532 thousand at 31 December 2016. They were covered by €434 thousand of external funds and the €98 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.

At 31 December 2016, 32 people were entitled to such benefits, as opposed to 33 people at 31 December 2015.

Obligations were assessed at 31 December 2016.

Château Guiraud's total obligations came to €214 thousand at 31 December 2016, up from €178 thousand at 31 December 2015, 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)	31/12/2016	31/12/2015
Customer advances due in more than 1 year	603	325
TOTAL OTHER NON-CURRENT LIABILITIES	**603**	**325**
Customer advances	541	952
Tax and social security liabilities (excluding income tax)	2,782	2,714
Other liabilities	1,954	1,860
TOTAL OTHER CURRENT LIABILITIES	**5,277**	**5,526**
TOTAL OTHER LIABILITIES	**5,880**	**5,851**

NOTE 27 CHANGE IN WORKING CAPITAL REQUIREMENT

(in thousands of euros)	31/12/2016	31/12/2015
(Increase)/decrease in inventories	1,151	(713)
(Increase)/decrease in receivables	(227)	(163)
Change in tax	(7,295)	6,417
Increase/(decrease) in debt	(352)	2,146
TOTAL CHANGE IN WORKING CAPITAL REQUIREMENT	**(6,723)**	**7,687**

NOTE 28 FINANCIAL INSTRUMENTS

28.1 FINANCIAL INSTRUMENTS REPORTED IN THE 2016 BALANCE SHEET

	31/12/2016		Breakdown by type of instrument				
(in thousands of euros)	Carrying amount	Fair value	Fair value through profit and loss	Available-for-sale assets	Loans, receivables and payables at cost	Debt at amortised cost	Derivative instruments
Investments in non-consolidated companies	2,967,371	2,967,371	-	2,967,371	-	-	-
Portfolio Investment Securities	485,239	485,239	-	485,239	-	-	-
Other non-current financial assets	3,626	3,626	-	-	3,626	-	-
Other receivables	1,502	1,502	-	-	1,502	-	-
Cash and cash equivalents	6,374	6,374	6,374	-	-	-	-
ASSETS	**3,464,112**	**3,464,112**	**6,374**	**3,452,610**	**5,128**	**-**	**-**
Non-current financial liabilities	586,861	586,861	-	-	240,818	335,165	10,878
Other non-current liabilities	603	603	-	-	603	-	-
Current financial liabilities	4,713	4,713	-	-	-	4,713	-
Other current liabilities	5,277	5,277	-	-	5,277	-	-
LIABILITIES	**597,454**	**597,454**	**-**	**-**	**246,698**	**339,878**	**10,878**

28.2 FINANCIAL INSTRUMENTS REPORTED IN THE 2015 BALANCE SHEET

	31/12/2015		Breakdown by type of instrument				
(in thousands of euros)	Carrying amount	Fair value	Fair value through profit and loss	Available-for-sale assets	Loans, receivables and payables at cost	Debt at amortised cost	Derivative instruments
Investments in non-consolidated companies	2,685,762	2,685,762	-	2,685,762	-	-	-
Portfolio Investment Securities	363,219	363,219	-	363,219	-	-	-
Other non-current financial assets	205,831	205,831	203,807	-	2,024	-	-
Other receivables	1,275	1,275	-	-	1,275	-	-
Cash and cash equivalents	16,320	16,320	16,320	-	-	-	-
ASSETS	**3,272,407**	**3,272,407**	**220,127**	**3,048,981**	**3,299**	**-**	**-**
Non-current financial liabilities	593,194	593,194	-	-	156,435	223,519	213,240
Other non-current liabilities	325	325	-	-	325	-	-
Current financial liabilities	4,642	4,642	-	-	-	4,642	-
Other current liabilities	5,526	5,526	-	-	5,526	-	-
LIABILITIES	**603,687**	**603,687**	**-**	**-**	**162,286**	**228,161**	**213,240**

28.3 INCOME STATEMENT IMPACT OF FINANCIAL INSTRUMENTS IN 2016

	2016	Breakdown by type of instrument				
(in thousands of euros)	Income statement impact	Fair value through profit and loss	Available-for-sale assets	Loans and receivables	Debt at amortised cost	Derivative instruments
Dividends (excluding investments in consolidated companies)	36,326	-	36,326	-	-	-
Other revenue	-	-	-	-	-	-
Expense (cost of debt)	(10,385)	-	-	-	(10,385)	-
Impairment of available-for-sale securities	(1,186)	-	(1,186)	-	-	-
Remeasurement	-	-	-	-	-	-
Disposal gains or losses	135,356	-	135,356	-	-	-
NET GAINS (LOSSES)	**160,111**	**-**	**170,496**	**-**	**(10,385)**	**-**

28.4 INCOME STATEMENT IMPACT OF FINANCIAL INSTRUMENTS IN 2015

	2015	Breakdown by type of instrument				
(in thousands of euros)	Income statement impact	Fair value through profit and loss	Available-for-sale assets	Loans and receivables	Debt at amortised cost	Derivative instruments
Dividends (excluding investments in consolidated companies)	31,614	-	31,614	-	-	-
Other revenue	-	-	-	-	-	-
Expense (cost of debt)	(12,045)	-	-	-	(12,045)	-
Impairment of available-for-sale securities	(5,192)	-	(5,192)	-	-	-
Remeasurement	79,690	79,690	-	-	-	-
Disposal gains or losses	47,749	-	47,749	-	-	-
NET GAINS (LOSSES)	**141,816**	**79,690**	**74,171**	**-**	**(12,045)**	**-**

28.5 INFORMATION ON THE FAIR VALUE OF FINANCIAL INSTRUMENTS IN 2016

Breakdown by level

Assets *(in thousands of euros)*	Instruments recognised at fair value Fair value through profit and loss	Available-for-sale assets	Derivative instruments
Level 1 fair value: quoted prices in active markets			
Investments in non-consolidated companies	-	2,617,775	-
Portfolio Investment Securities	-	30,994	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	6,374	-	-
Level 2 fair value: based on observable market data	**-**	**-**	**-**
Investments in non-consolidated companies	-	-	-
Portfolio Investment Securities	-	-	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	-	-	-
Level 3 fair value: not based on observable market data	**-**	**-**	**-**
Investments in non-consolidated companies	-	349,596	-
Portfolio Investment Securities	-	454,245	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	-	-	-
TOTAL FINANCIAL ASSETS RECOGNISED AT FAIR VALUE	**6,374**	**3,452,610**	**-**

5.1

List of investments:

- level 1: Peugeot SA, Zodiac Aerospace, DKSH, SEB, Orpea, IDI, Immobilière Dassault, Ipsos, CIEL, other equities and money-market UCITS;
- level 2: none;
- level 3: HIT, Holding Reinier, IDI Emerging Markets, Tikehau Capital Advisors, Tikehau Capital Partners, real-estate funds, private equity funds, other equities.

Liabilities *(in thousands of euros)*	Instruments recognised at fair value Fair value through profit and loss	Derivative instruments
Level 1 fair value: quoted prices in active markets	**-**	**-**
Level 2 fair value: based on observable market data	**-**	**-**
Non-current financial liabilities	-	10,878
Level 3 fair value: not based on observable market data	**-**	**-**
TOTAL FINANCIAL LIABILITIES RECOGNISED AT FAIR VALUE	**-**	**10,878**

Reconciliation of level-3 movements	
Prior to 1 January 2016	480,401
Purchases (+)	361,169
Disposals/Repayments (-)	(100,975)
Gains (losses) for the period recognised in profit and loss	18,287
Gains (losses) for the period recognised in equity	44,959
Transfer between level 3 and other levels	-
VALUE AT 31 DECEMBER 2016	**803,841**

28.6 INFORMATION ON THE FAIR VALUE OF FINANCIAL INSTRUMENTS IN 2015

Breakdown by level

	Instruments recognised at fair value		
Assets *(in thousands of euros)*	**Fair value through profit and loss**	**Available-for-sale assets**	**Derivative instruments**
Level 1 fair value: quoted prices in active markets			
Investments in non-consolidated companies	-	2,519,331	-
Portfolio Investment Securities	-	31,752	-
Other non-current financial assets	203,807	-	-
Other receivables	-	-	-
Cash and cash equivalents	16,320	-	-
Level 2 fair value: based on observable market data	**-**	**-**	**-**
Investments in non-consolidated companies	-	17,497	-
Portfolio Investment Securities	-	-	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	-	-	-
Level 3 fair value: not based on observable market data	**-**	**-**	**-**
Investments in non-consolidated companies	-	148,934	-
Portfolio Investment Securities	-	331,467	-
Other non-current financial assets	-	-	-
Other receivables	-	-	-
Cash and cash equivalents	-	-	-
TOTAL FINANCIAL ASSETS RECOGNISED AT FAIR VALUE	**220,127**	**3,048,981**	**-**

List of investments:

- level 1: Peugeot SA, Zodiac Aerospace, DKSH, SEB, ORPEA, IDI, Immobilière Dassault, CIEL, other equities and money-market UCITS;
- level 2: LT Participations;
- level 3: HIT, IDI Emerging Markets, private equity funds, other equities.

Liabilities *(in thousands of euros)*	Instruments recognised at fair value: Fair value through profit and loss	Instruments recognised at fair value: Derivative instruments
Level 1 fair value: quoted prices in active markets	**-**	**-**
Level 2 fair value: based on observable market data		
Non-current financial liabilities	-	213,240
Level 3 fair value: not based on observable market data	**-**	**-**
TOTAL FINANCIAL LIABILITIES RECOGNISED AT FAIR VALUE	**-**	**213,240**

Reconciliation of level-3 movements	
Value at 1 January 2015	418,108
Purchases (+)	130,516
Disposals/Repayments (-)	(102,791)
Gains (losses) for the period recognised in profit and loss	11,203
Gains (losses) for the period recognised in equity	23,365
Transfer between level 3 and other levels	-
VALUE AT 31 DECEMBER 2015	**480,401**

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 systematically report on meetings taking place between two Board meetings in 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 9.81% stake in the PSA Peugeot Citroën group, along with minority but material stakes in other companies, both listed and unlisted.

FFP always has a presence 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.

As regards the Compagnie Industrielle de Delle (CID) and LISI groups and the Zéphyr Investissement, LDAP and Lapillus 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.

As regards 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 available-for-sale are measured at fair value (based on their share prices in the case of listed securities) and may be affected by stockmarket 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)	31/12/2016	31/12/2015
Listed securities		
Equities - Europe	2,631,558	2,737,240
Unlisted securities		
Equities - Europe	328,341	168,749
Private equity - Europe	156,112	113,504
Private equity - Africa	132,555	105,910
Private equity - Americas	101,861	19,046
Private equity - Asia	100,410	110,133
Other non-current financial assets	5,399	230
CARRYING AMOUNT AT 31 DECEMBER	**3,456,236**	**3,254,812**

Price sensitivity

	31/12/2016			31/12/2015		
(in thousands of euros)	Carrying amount	Low	High	Carrying amount	Low	High
Available-for-sale securities						
Investments in non-consolidated companies						
Listed securities	2,617,775	2,094,220	3,141,330	2,519,331	2,015,465	3,023,197
Unlisted securities	349,596	297,725	401,468	166,431	145,253	190,915
Portfolio Investment Securities	485,239	432,095	538,383	363,219	316,945	409,493
Other non-current financial assets	3,626	3,626	3,626	205,831	165,070	246,592
TOTAL	**3,456,236**	**2,827,666**	**4,084,807**	**3,254,812**	**2,642,733**	**3,870,197**

For listed securities and Portfolio Investment Securities, sensitivity was calculated on the basis of 20% 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% change;
- for companies valued by comparing multiples, sensitivity was calculated on the basis of a 20% change in peer-group multiples.

29.2 LIQUIDITY RISK MANAGEMENT

FFP has negotiated credit facilities with leading financial institutions to help it finance its investments.

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.

At 31 December 2016, the credit facilities and borrowings granted to the FFP group amounted to €737 million, including €409 million of undrawn facilities. Undrawn facilities are due to expire as follows:

(in millions of euros)		31/12/2016	N+1	N+2	N+3	N+4	N+5 and beyond
Bank borrowings	Nominal	409	-	40	59	260	50
TOTAL		**409**	**-**	**40**	**59**	**260**	**50**

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)		31/12/2016	N+1	N+2	N+3	N+4	N+5 and beyond	Total
Bank borrowings	Nominal	338,734	3,571	10,483	208,342	110,343	5,995	338,734
	Interest	1,144	4,053	3,458	2,822	416	890	11,639
	Total	339,878	7,624	13,941	211,164	110,759	6,885	350,373
Subscription commitments and shares not paid-up(1)	Nominal	240,739	-	-	-	-	240,739	240,739
Derivative instruments		10,878	4,424	3,036	2,759	1,728	3,634	15,581
Other		79	-	-	-	-	79	79
TOTAL		**591,574**	**12,048**	**16,977**	**213,923**	**112,487**	**251,337**	**606,772**

(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. 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 2016.

Borrowings may fall due 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(1) <0.5.

These ratios are calculated exactly twice per year, and they are monitored regularly throughout the year.

At 31 December 2016, 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) < 0.25;
2. consolidated net debt/value of securities = 0.16.

For the calculation at 31 December 2016, the equity figures used are before the appropriation of 2016 income.

FFP complied with all covenants at the end of 2016.

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. These products do not carry any significant risk of impairment.

(1) Value of securities is equal to the FFP group's Gross Asset Value as determined in the Net Asset Value calculation.

29.3 CREDIT 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.

At 31 December 2016, €280,000 thousand of FFP's bank debt was covered by swaps fixing rates at between 0.309% and 2.87%.

The situations before and after hedging are as follows:

31 DECEMBER 2016

(in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings				
Fixed rate	272	312	153	737
Floating rate	3,297	329,200	5,500	337,997
TOTAL BORROWINGS BEFORE HEDGING	**3,569**	**329,512**	**5,653**	**338,734**
Derivative financial instruments	**-**	**180,000**	**100,000**	**280,000**
Borrowings				
Fixed rate	272	180,312	100,153	280,737
Floating rate	3,297	149,200	(94,500)	57,997
TOTAL BORROWINGS AFTER HEDGING	**3,569**	**329,512**	**5,653**	**338,734**

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.

At 31 December 2016, 3-month Euribor was -0.319%, as opposed to -0.131% at 31 December 2015.

At 22 February 2017, 3-month Euribor was -0.329%.

On the basis of floating-rate borrowings after hedging at 31 December 2016, a 1-point increase in interest rates would have caused a €580 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 DECEMBER 2015

(in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings				
Fixed rate	282	375	225	882
Floating rate	3,115	216,000	6,919	226,034
TOTAL BORROWINGS BEFORE HEDGING	**3,397**	**216,375**	**7,144**	**226,916**
Derivative financial instruments	**-**	**180,000**	**100,000**	**280,000**
Borrowings				
Fixed rate	282	180,375	100,225	280,882
Floating rate	3,115	36,000	(93,081)	(53,966)
TOTAL BORROWINGS AFTER HEDGING	**3,397**	**216,375**	**7,144**	**226,916**

Cash is invested in regular money-market UCITS (see Note 21.1) and generates variable-rate returns.

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 a company accounted for under the equity method whose functional currency is the US dollar.

The breakdown of available-for-sale 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 at 31 December 2016				
Shares in companies accounted for under the equity method	18,900	-	-	-
Available-for-sale securities	331,678	258,031	-	19,082
Other long-term assets	-	-	-	-
Cash and cash equivalents	2,454	8	59	-
Non-current financial liabilities				
Subscription commitments and shares not paid-up	(143,956)	-	-	-
Current debt	-	-	-	-
NET POSITION BEFORE HEDGING	**209,076**	**258,039**	**59**	**19,082**
Derivative financial instruments	**-**	**-**	**-**	**-**
NET POSITION AFTER HEDGING	**209,076**	**258,039**	**59**	**19,082**

Given positions at 31 December 2016 and after hedging:

- if the USD rose 10% against the euro, FFP's reserves would rise by €20,908 thousand, with no material impact on profit or loss;
- if the CHF rose 10% against the euro, FFP's reserves would rise by €25,804 thousand, with no material impact on profit or loss;
- if the GBP rose 10% against the euro, FFP's reserves would rise by €6 thousand, with no material impact on profit or loss;
- if the MUR rose 10% against the euro, FFP's reserves would rise by €1,908 thousand, with no material impact on profit or loss.

(in thousands of euros)	USD	CHF	MUR
Carrying amounts at 31 December 2015			
Shares in companies accounted for under the equity method	15,994	-	-
Available-for-sale securities	203,260	233,850	19,238
Other long-term assets	1,587	-	206
Cash and cash equivalents	9,206	543	-
Non-current financial liabilities			
Subscription commitments and shares not paid-up	(71,258)	-	-
Current debt	-	-	-
NET POSITION BEFORE HEDGING	**158,789**	**234,393**	**19,444**
Derivative financial instruments	**-**	**-**	**-**
NET POSITION AFTER HEDGING	**158,789**	**234,393**	**19,444**

Given positions at 31 December 2015 and after hedging:

- if the USD rose 10% against the euro, FFP's reserves would rise by €15,879 thousand, with no material impact on profit or loss;
- if the CHF rose 10% against the euro, FFP's reserves would rise by €23,440 thousand, with no material impact on profit or loss;
- if the MUR rose 10% against the euro, FFP's reserves would rise by €1,945 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 2016 SEGMENT REPORTING

(in thousands of euros)	PSA Peugeot Citroën group	Investments	Net cash / (debt)	Other segments	Reconciliation	Total
Dividends	-	36,326	-	-	-	36,326
Net disposal gains	115,882	19,474	-	-	-	135,356
Unrealised gains and losses	-	-	-	1,850	-	1,850
Business revenue	-		-	4,458	-	4,458
Revenue	**115,882**	**55,800**	**-**	**6,308**	**-**	**177,990**
General administrative expenses	-	(95)	-	(4,037)	(13,511)	(17,643)
Cash management income	-	-	1,142	-	-	1,142
Impairment of available-for-sale securities	-	(1,186)	-	-	-	(1,186)
Cost of debt	-	-	(10,175)	(210)	-	(10,385)
Pre-tax profit from consolidated companies	**115,882**	**54,519**	**(9,033)**	**2,061**	**(13,511)**	**149,918**
Share in profit of associates	-	18,002	-	-	-	18,002
Consolidated pre-tax profit	**115,882**	**72,521**	**(9,033)**	**2,061**	**(13,511)**	**167,920**
Income tax	-	-	-	-	(18,270)	(18,270)
CONSOLIDATED NET PROFIT	**115,882**	**72,521**	**(9,033)**	**2,061**	**(31,781)**	**149,650**
Segment assets						
Intangible assets and property, plant and equipment	-	-	-	32,894	852	33,746
Non-current financial assets	1,306,587	2,371,060	-	30	626	3,678,303
Of which investments in companies accounted for under the equity method	-	222,067	-	-	-	222,067
Deferred tax assets	-	-	3,146	60	105	3,311
Current assets	-	-	6,289	10,977	2,986	20,252
TOTAL ASSETS	**1,306,587**	**2,371,060**	**9,435**	**43,961**	**4,569**	**3,735,612**
Segment equity and liabilities						
Non-current financial liabilities	47,000	240,739	291,878	7,263	(19)	586,861
Current financial liabilities	7	-	1,081	3,625	-	4,713
Equity including minority interests	-	-	-	-	3,069,149	3,069,149
Other liabilities	30,725	31,861	-	8,048	4,255	74,889
TOTAL EQUITY AND LIABILITIES	**77,732**	**272,600**	**292,959**	**18,936**	**3,073,385**	**3,735,612**
NET INVESTMENT	**-**	**139,508**	**-**	**318**	**32**	**139,858**

30.2 2015 SEGMENT REPORTING

(in thousands of euros)	PSA Peugeot Citroën group	Investments	Net cash / (debt)	Other segments	Reconciliation	Total
Dividends	-	31,614	-	-	-	31,614
Net disposal gains	21,574	26,175	-	-	-	47,749
Unrealised gains and losses	79,690	-	-	(39)	-	79,651
Business revenue	-		-	4,618	-	4,618
Revenue	**101,264**	**57,789**	**-**	**4,579**	**-**	**163,632**
General administrative expenses	(910)	(1,891)	-	(3,965)	(10,560)	(17,326)
Cash management income	-	-	744	-	-	744
Impairment of available-for-sale securities	-	(5,192)	-	-	-	(5,192)
Cost of debt	-	-	(11,816)	(229)	-	(12,045)
Pre-tax profit from consolidated companies	**100,354**	**50,706**	**(11,072)**	**385**	**(10,560)**	**129,813**
Share in profit of associates	-	31,646	-	-	-	31,646
Consolidated pre-tax profit	**100,354**	**82,352**	**(11,072)**	**385**	**(10,560)**	**161,459**
Income tax	-	-	-	-	(2,957)	(2,957)
CONSOLIDATED NET PROFIT	**100,354**	**82,352**	**(11,072)**	**385**	**(13,517)**	**158,502**
Segment assets						
Intangible assets and property, plant and equipment	-	-	-	30,943	938	31,881
Non-current financial assets	1,570,264	1,969,937	-	24	206	3,540,431
Of which investments in companies accounted for under the equity method	-	285,619	-	-	-	285,619
Deferred tax assets	14,169	-	2,964	59	3,699	20,891
Current assets	-	-	16,264	11,950	515	28,729
TOTAL ASSETS	**1,584,433**	**1,969,937**	**19,228**	**42,976**	**5,358**	**3,621,932**
Segment equity and liabilities						
Non-current financial liabilities	251,631	156,336	177,609	7,618	-	593,194
Current financial liabilities	7	-	1,180	3,455	-	4,642
Equity including minority interests	-	-	-	-	2,927,562	2,927,562
Other liabilities	25,212	53,476	-	8,470	9,376	96,534
TOTAL EQUITY AND LIABILITIES	**276,850**	**209,812**	**178,789**	**19,543**	**2,936,938**	**3,621,932**
NET INVESTMENT	**(33,535)**	**69,297**	**-**	**209**	**785**	**36,756**

NOTE 31 RELATED-PARTY TRANSACTIONS

31.1 ASSOCIATES

At 31 December 2016, the balance of the current-account advance granted by FFP to LDAP OPCI Lapillus II was €1,535 thousand. The advance bears interest at an annual rate of 1%.

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)	31/12/2016	31/12/2015
Attendance fees paid to members of the Board of Directors	652	655
Compensation paid to directors and officers	1,048	1,006
TOTAL	**1,700**	**1,661**

Directors and officers are entitled to post-employment benefits that were measured at €82 thousand on the end-2016 balance sheet.

NOTE 33 OFF-BALANCE SHEET COMMITMENTS

(in thousands of euros)	31/12/2016	31/12/2015
Reciprocal commitments		
Undrawn credit facilities	409,000	401,000
Pre-orders of wine on an "en primeur" basis	1,555	1,482
Commitments given	-	-
Collateral given for borrowings	56,148	58,253

OTHER COMMITMENTS

At 31 December 2016:

- borrowings amounting to €7,000 thousand were secured by a first mortgage on real estate owned by Château Guiraud;
- borrowings amounting to €2,500 thousand were secured by wine inventories (2015: €1,500 thousand).

Securities pledged as collateral for borrowings from financial institutions:

- 5,683,192 Peugeot SA shares pledged to BNP Paribas as security for a €47,000 thousand loan taken out by FFP.

NOTE 34 STATUTORY AUDITORS' FEES

	Mazars		SEC3	
	2016	2015	2016	2015
Audit				
Independent audit, certification, review of parent company and consolidated financial statements				
Issuer	50	48	53	61
Fully consolidated subsidiaries	19	19	19	19
Ancillary work and services directly linked to the Statutory Auditor's assignment				
Issuer	-	-	-	-
Fully consolidated subsidiaries	-	-	-	-
SUB-TOTAL	**69**	**67**	**72**	**80**
	100%	*100%*	*100%*	*100%*
Other services provided by the networks to fully consolidated subsidiaries				
Legal, tax and employment-related	-	-	-	-
Other (to be specified if they equal more than 10% of audit fees)	-	-	-	-
SUB-TOTAL	**-**	**-**	**-**	**-**
TOTAL	**69**	**67**	**72**	**80**

NOTE 35 POST-BALANCE SHEET EVENTS

On 6 March 2017, the PSA Group announced that it had formed an agreement with General Motors Co under which the operations of Opel-Vauxhall and the European operations of GM Financial would join the group. Those businesses were valued at €1.3 billion and €0.9 billion respectively. With the addition of Opel-Vauxhall, which generated revenue of €17.7 billion in 2016, the PSA Group will have 17% of the European market, making it Europe's second-largest carmaker.

On 19 January 2017, Safran and Zodiac Aerospace announced that they were in exclusive talks regarding Safran carrying out an agreed acquisition of Zodiac Aerospace followed by a merger of the two companies. FFP agreed not to tender its shares to the offer so as to remain a long-term shareholder of the new entity and to be represented on its Board of Directors, after signing a shareholder agreement specifying a two-year lock-up period. The transaction would give rise to a world leader in aerospace equipment.

At the end of the year, Tikehau Capital completed two capital increases and combined all of the group's activities under Tikehau Capital. A public offer for its listed subsidiary Salvepar was completed. After those transactions, FFP owns 3% of Tikehau Capital. Tikehau Capital was listed on compartment A of the Euronext Paris regulated market, with a market capitalisation of around €1.5 billion. Tikehau Capital manages almost €10 billion of assets and has four business lines: private debt, real estate, equity investment and liquid strategies.

Statutory Auditors' report on the consolidated financial statements

Financial year ended 31 December 2016

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' General Meeting, we hereby report to you for the year ended 31 December 2016 on:

- the audit of the accompanying consolidated financial statements of FFP;
- the justification of our assessments; and
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I – Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II – Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Code of Commerce (Code de commerce) relating to the justification of our assessments, we confirm that the assessments we made related to the appropriateness of the accounting principles used and the reasonableness of the material estimates adopted.

In particular, the Group recognises impairment on its investments in associates and available-for-sale securities where there is objective evidence of a decline in the value of those securities (Note 1.6A(a) and (b)). We have reviewed the control system used to identify evidence of a decline in value, the valuation of the largest holdings and the estimates that caused any impairment to be recognised to cover such declines in value.

These assessments were made as part of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – Specific verification

As required by law, we have also verified the information in the Group management report in accordance with the professional standards applicable in France and as required by law.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

French original signed in Paris and Courbevoie, 28 March 2017

The Statutory Auditors

SEC3	MAZARS
Philippe SPANDONIS	JEAN LATORZEFF

5.2

PARENT-COMPANY FINANCIAL STATEMENTS

Income statement

(in thousands of euros)	2016	2015
Revenue	2,960	2,940
Other recurring management revenue	2	1
Releases of provisions and expense transfers	-	26
Operating revenue	**2,962**	**2,967**
Other purchases and external expenses	(4,916)	(6,236)
Taxes other than income tax	(2,807)	(1,641)
Wages and salaries	(2,661)	(3,079)
Social security costs	(1,644)	(1,721)
Depreciation, amortisation and provisions	(243)	(97)
Other expenses	(652)	(655)
Operating expenses	**(12,923)**	**(13,430)**
OPERATING INCOME (LOSS)	**(9,961)**	**(10,462)**
Income from shareholdings	3,029	1,562
Income from other marketable securities and receivables on non-current assets	362	-
Releases of provisions and expense transfers	5,075	3,918
Positive exchange differences	50	106
Net proceeds from disposals of Portfolio Investment Securities and other long-term investments	17,845	55,138
Net proceeds from disposals of marketable securities	6	22
Financial income	**26,367**	**60,745**
Depreciation, amortisation and provisions	(942)	(5,487)
Interest and similar expenses	(7,673)	(9,081)
Negative exchange differences	(1)	-
Net expenses on disposals of Portfolio Investment Securities	(4,381)	(480)
Financial expense	**(12,997)**	**(15,048)**
NET FINANCIAL INCOME/(EXPENSE)	**13,370**	**45,697**
RECURRING PRE-TAX PROFIT (LOSS)	**3,409**	**35,235**
Non-recurring income from capital transactions	319,444	-
Other non-recurring income	6	1
Non-recurring income	**319,450**	**1**
Non-recurring expenses on capital transactions	(112,948)	-
Other non-recurring expenses	(1)	(4)
Non-recurring expense	**(112,949)**	**(4)**
NET NON-RECURRING INCOME/(EXPENSE)	**206,501**	**(3)**
Income tax	**(2,095)**	**(4,609)**
NET PROFIT FOR THE PERIOD	**207,815**	**30,623**

Balance sheet at 31 December 2016

ASSETS

(in thousands of euros)	Notes	31/12/2016 Gross	31/12/2016 Depreciation, amortisation and provisions	31/12/2016 Net	31/12/2015 Net
Non-current assets					
Intangible assets					
Concessions, patents, software and similar items	8	76	(76)	-	5
Property, plant and equipment					
Other non-current assets	9	1,052	(208)	844	922
Downpayments on property, plant and equipment	9	-	-	-	12
Long-term investments					
Equity securities	10	1,337,899	-	1,337,899	1,264,518
Receivables connected with shareholdings	10	269,345	-	269,345	183,456
Total shareholdings		**1,607,244**	**-**	**1,607,244**	**1,447,975**
Portfolio Investment Securities	11	60,651	(10,464)	50,187	65,983
Other long-term investments	11	675	-	675	34,851
Total long-term investments		**1,668,571**	**(10,464)**	**1,658,107**	**1,548,808**
TOTAL NON-CURRENT ASSETS		**1,669,699**	**(10,748)**	**1,658,951**	**1,549,747**
Current assets					
Receivables	12	3,281	-	3,281	1,273
Marketable securities	12	2,297	-	2,297	6,152
Cash	12	2,412	-	2,412	9,488
Total cash and cash equivalents		**4,708**	**-**	**4,708**	**15,639**
Prepaid expenses	12	34	-	34	211
TOTAL CURRENT ASSETS		**8,024**	**-**	**8,024**	**17,124**
TOTAL ASSETS		**1,677,723**	**(10,748)**	**1,666,975**	**1,566,871**

Balance sheet at 31 December 2016

EQUITY AND LIABILITIES

(in thousands of euros)	Notes	31/12/2016	31/12/2015
Equity			
Share capital	13	25,073	25,157
Share premiums	13	158,410	158,410
Statutory reserve	13	2,541	2,541
Other reserves	13	939,220	948,896
Retained earnings	13	-	3,949
Profit for the period	13	**207,815**	**30,623**
Regulated provisions	13	-	6
TOTAL EQUITY		**1,333,058**	**1,169,583**
Contingency and loss provisions			
Contingency provisions	14	336	220
Liabilities			
Amounts owed to financial institutions	15	329,088	217,187
Tax and employment-related liabilities	15	2,303	7,578
Liabilities related to non-current assets and related accounts	15	1,708	8,231
Miscellaneous liabilities	15	482	164,071
TOTAL LIABILITIES		**333,581**	**397,068**
TOTAL EQUITY AND LIABILITIES		**1,666,975**	**1,566,871**

Cash flow statement

(in thousands of euros)	2016	2015
NET PROFIT FOR THE PERIOD	**207,815**	**30,623**
Net change in depreciation, amortisation and provisions	(3,897)	1,645
Net gains (losses) on disposals of non-current assets	(219,967)	(54,658)
FUNDS FROM OPERATIONS	**(16,049)**	**(22,390)**
Change in the working capital requirement	(7,330)	3,784
NET CASH FLOW FROM OPERATING ACTIVITIES	**(23,379)**	**(18,606)**
Purchases of property, plant and equipment	(32)	(798)
Purchases of equity securities	(133,304)	-
Purchases of other investments	(2,473)	(9,093)
Disposals of equity securities	133,304	-
Disposals of other investments	29,934	79,080
NET CASH FLOW FROM INVESTING ACTIVITIES	**27,429**	**69,189**
Dividends paid to shareholders	(40,115)	(50,144)
Net change in borrowings and other financial liabilities	112,000	(51,000)
Net change in other financial assets	(86,293)	(108,209)
Net change in other financial liabilities	(573)	163,481
NET CASH FLOW FROM FINANCING ACTIVITIES	**(14,981)**	**(45,872)**
CHANGE IN CASH AND CASH EQUIVALENTS	**(10,931)**	**4,711**
Cash and cash equivalents at beginning of period	15,640	10,929
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**4,709**	**15,640**
Breakdown of cash and cash equivalents at end of period		
Cash investments	2,297	6,152
Cash	2,412	9,488
TOTAL	**4,709**	**15,640**

Notes

The following disclosures constitute the notes to the balance sheet at 31 December 2016 before appropriation of net profit for the year, which shows total assets of €1,666,975 thousand, and to the income statement for the year then ended, which shows a net profit of €207,815 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 2016.

Notes 1 to 23 below are an integral part of the financial statements. All amounts are in thousands of euros unless otherwise specified.

These financial statements were approved by the Board of Directors on 9 March 2017.

KEY EVENTS IN THE PERIOD

In 2015, FFP sold call options on Peugeot SA shares, expiring on 31 March 2017 and with a strike price of €6.428 per share, the same as the strike price on the Peugeot SA warrants. FFP received total premiums of €163,481 thousand from selling the call options.

At the end of 2016, the banks that bought the call options exercised them. FFP therefore delivered 20,736,221 Peugeot SA shares and exercised its Peugeot SA warrants to reconstitute its initial holding.

After the transactions, FFP holds the same number of shares as before the call option contracts were formed, representing 9.81% of Peugeot SA's capital.

Money returned by private equity funds amounted to €29,934 thousand in 2016.

Following investments made via the FFP INVEST and FFP Investment UK subsidiaries, debt rose from €217,187 thousand at 31 December 2015 to €329,088 thousand at 31 December 2016.

The net profit for the year of €207,815 thousand mainly comprised:

- the capital gain on the delivery of Peugeot SA shares, for a net total of €206,500 thousand;
- net capital gains of €13,460 thousand on money returned by private equity funds;
- interest expense of €10,175 thousand;
- income tax expense of €2,095 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 methods 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:
  - IT hardware: 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%, 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 stockmarket 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. 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.

4. 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

This item principally comprises units in money-market UCITS and negotiable debt securities with a maturity of less than 3 months.

These securities are recognised as an asset on the balance sheet at their purchase cost excluding related costs, excluding front-end fees and excluding any prepaid interest. Impairment is recognised if the current value is lower than the purchase cost. Unrealised gains on UCITS units are not recognised.

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 2016. Since the asset value of the funds was lower than the related liability, a contingency provision of €98 thousand was recognised under liabilities at 31 December 2016.

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 €232 thousand at 31 December 2016, and is recognised under contingency provisions.

F. BORROWINGS AND DEBT

FFP has negotiated credit facilities with credit institutions. Those facilities have a duration of 3 to 5 years, and drawings are dependent on the Company's investments. Drawings are made for periods of between 1 month and 1 year and may be renewed depending on projected cash requirements.

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 1 year. If there is any residual unrealised translation loss, a provision for translation losses is recognised under liabilities on the balance sheet.

I. 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 €400 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.

The Company can also purchase shares in accordance with authorisations given by the Shareholders' General Meeting, with a view to cancelling them and to granting or selling them to employees and/or corporate officers.

J. INCOME TAX

On 1 January 2012, FFP opted for the tax consolidation regime for French subsidiaries in which it owns over 95%, 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.

K. 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	2016	2015
Equity securities	3	209,530	1,498
Investment Securities and other long-term investments	4	17,924	52,200
Profit or loss from financing and debt operations	5	(10,119)	(11,688)
General administrative expenses	6	(7,425)	(6,778)
GROSS PRE-TAX PROFIT		**209,910**	**35,232**
Income tax	7	(2,095)	(4,609)
NET PROFIT		**207,815**	**30,623**

NOTE 3 PROFIT OR LOSS FROM EQUITY SECURITIES

(in thousands of euros)	2016	2015
Dividends		
▪ Zodiac Aerospace	1	1
Interest on current-account advances	3,028	1,561
Disposal gains	229,159	-
Total income	**232,188**	**1,562**
Fees	-	(64)
Disposal losses	(22,658)	-
Total expenses	**(22,658)**	**(64)**
GROSS PROFIT	**209,530**	**1,498**
Provisions		
Additions (-)	-	-
Releases (+)	-	-
PROFIT	**209,530**	**1,498**

NOTE 4 PROFIT OR LOSS ON PORTFOLIO INVESTMENT SECURITIES AND OTHER LONG-TERM INVESTMENTS

(in thousands of euros)	2016	2015
Dividends	362	-
Disposal gains	17,845	55,138
Total income	**18,207**	**55,138**
Disposal losses	(4,381)	(480)
Fees	(34)	(876)
Securities transaction fees	-	(13)
Total expenses	**(4,416)**	**(1,369)**
GROSS PROFIT	**13,791**	**53,769**
Provisions		
Additions (-)	(942)	(5,487)
Releases (+)	5,075	3,918
PROFIT	**17,924**	**52,200**

NOTE 5 PROFIT OR LOSS FROM FINANCING AND DEBT OPERATIONS

(in thousands of euros)	2016	2015
Marketable securities		
Disposal gains	**6**	**22**
Other financial income	50	106
Total income	56	127
Credit facilities		
Interest expenses	(7,673)	(9,080)
Commissions and fees	(2,502)	(2,736)
Total expenses	**(10,175)**	**(11,816)**
GROSS PROFIT	**(10,119)**	**(11,688)**
Provisions/Additions (-)	-	-
Releases (+)	-	-
PROFIT	**(10,119)**	**(11,688)**

NOTE 6 GENERAL ADMINISTRATION INCOME/EXPENSE

(in thousands of euros)	2016	2015
Services	2,960	2,940
Total income	**2,960**	**2,940**
Personnel	(5,094)	(4,934)
Other external expenses	(2,385)	(2,547)
Taxes other than income tax	(2,134)	(1,481)
Directors' fees	(652)	(655)
Depreciation and amortisation	(127)	(101)
Net provisions for capital expenditure	6	1
Total expenses	**(10,385)**	**(9,718)**
INCOME/EXPENSE	**(7,425)**	**(6,778)**

NOTE 7 INCOME TAX

(in thousands of euros)	2016	2015
Subsidiaries' tax	1,724	970
Tax due with respect to the financial year	(3,864)	(5,607)
Tax with respect to previous years	44	28
INCOME/EXPENSE	**(2,095)**	**(4,609)**

NOTE 8 INTANGIBLE ASSETS

Intangible assets consist of accounting software licences with a gross value of €76 thousand, fully amortised at 31 December 2016.

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

9.1 POSITION AT 31 DECEMBER 2016

(in thousands of euros)	Cost	Depreciation	Net carrying amount	Previous period
General installations, fixtures and fittings	432	(74)	358	385
Office and computer equipment	82	(43)	39	61
Furniture	536	(91)	445	475
Other	2	-	2	12
TOTAL PROPERTY, PLANT AND EQUIPMENT	**1,052**	**(208)**	**844**	**934**

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	416	17	-	432
Office and computer equipment	79	4	-	82
Furniture	513	27	(5)	536
Downpayments made on property, plant and equipment	12	-	(12)	-
Other	-	2	-	2
TOTAL PROPERTY, PLANT AND EQUIPMENT	**1,020**	**49**	**(18)**	**1,052**

9.3 DEPRECIATION

(in thousands of euros)	Amount at beginning of period	Additions	Releases	Amount at end of period
General installations, fixtures and fittings	31	43	-	74
Office and computer equipment	17	26	-	43
Furniture	38	53	-	91
TOTAL DEPRECIATION	**86**	**122**	**-**	**208**

NOTE 10 SHAREHOLDINGS AND RECEIVABLES CONNECTED WITH SHAREHOLDINGS

10.1 POSITION AT 31 DECEMBER 2016

(in thousands of euros)	Number	% control	Cost: Per unit	Cost: Overall	Closing value of securities written down	Unrealised impairment provisioned	Net carrying amount	Previous period
Listed securities								
Peugeot SA	84,323,161	9.81	5.00	421,365	-	-	421,365	347,985
Zodiac Aerospace	2,500		15.80	39	-	-	39	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				**1,337,899**	**-**	**-**	**1,337,899**	**1,264,518**
FFP INVEST				269,345	-	-	269,345	183,456
TOTAL RECEIVABLES CONNECTED WITH SHAREHOLDINGS				**269,345**	**-**	**-**	**269,345**	**183,456**
TOTAL SHAREHOLDINGS				**1,607,244**	**-**	**-**	**1,607,244**	**1,447,975**

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	347,985	20,736,221	163,665	(20,736,221)	(90,285)	84,323,161	421,365
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		**1,264,518**		**163,665**		**(90,285)**		**1,337,899**
FFP INVEST		183,456		85,889		-		269,345
TOTAL RECEIVABLES CONNECTED WITH SHAREHOLDINGS		**183,456**		**85,889**		**-**		**269,345**
TOTAL SHAREHOLDINGS		**1,447,975**		**249,554**		**(90,285)**		**1,607,244**

NOTE 11 PORTFOLIO INVESTMENT SECURITIES AND OTHER LONG-TERM INVESTMENTS

11.1 POSITION AT 31 DECEMBER 2016

(in thousands of euros)	Cost	Closing measurement	Unrealised impairment provisioned	Net carrying amount	Previous period
French LBO funds	12,155	22,597	-	12,155	24,714
Co-investments	7,899	154	(7,745)	154	453
Emerging-market funds	20,591	33,967	(2,615)	17,976	21,028
Other funds	462	530	(67)	395	386
Total private equity funds	**41,108**	**57,249**	**(10,427)**	**30,680**	**46,581**
Other	19,543	19,683	(37)	19,507	19,402
Total other investments	**19,543**	**19,683**	**(37)**	**19,507**	**19,402**
TOTAL PORTFOLIO INVESTMENT SECURITIES	**60,651**	**76,932**	**(10,464)**	**50,187**	**65,983**
Peugeot SA (warrants)	-	-	-	-	30,361
Treasury shares	-	-	-	-	4,218
Security deposit	627	627	-	627	205
Liquidity agreement	49	51	-	49	67
TOTAL OTHER LONG-TERM INVESTMENTS	**675**	**677**	**-**	**675**	**34,851**
TOTAL	**61,326**	**77,609**	**(10,464)**	**50,863**	**100,834**

11.2 CHANGES DURING THE PERIOD

(in thousands of euros)	Gross value at beginning of period	Increases	Decreases	Gross value at end of period
French LBO funds	24,846	125	(12,816)	12,155
Co-investments	7,899	-	-	7,899
Emerging-market funds	23,038	2,339	(4,785)	20,591
Other funds	5,269	10	(4,816)	462
Total private equity funds	**61,051**	**2,474**	**(22,417)**	**41,108**
Other	19,528	15	-	19,543
Total other investments	**19,528**	**15**	**-**	**19,543**
TOTAL PORTFOLIO INVESTMENT SECURITIES	**80,580**	**2,489**	**(22,417)**	**60,651**
Peugeot SA (warrants)	30,361	-	(30,361)	-
Treasury shares	4,218	-	(4,218)	-
Security deposit	205	422	-	627
Liquidity agreement	67	2,198	(2,216)	49
TOTAL OTHER LONG-TERM INVESTMENTS	**34,851**	**2,620**	**(36,795)**	**675**
TOTAL	**115,431**	**5,108**	**(59,212)**	**61,326**

11.3 ESTIMATED VALUES OF PORTFOLIO INVESTMENT SECURITIES AND OTHER LONG-TERM INVESTMENTS

	Amounts at beginning of period			Amounts at end of period		
Composition of the portfolio	Carrying amount		Estimated	Carrying amount		Estimated
(in thousands of euros)	Gross	Net	value	Gross	Net	value
French LBO funds	24,846	24,714	38,068	12,155	12,155	22,597
Co-investments	7,899	453	453	7,899	154	154
Emerging-market funds	23,038	21,028	42,688	20,591	17,976	33,967
Other funds	5,269	386	5,610	462	395	530
Total private equity funds	**61,051**	**46,581**	**86,819**	**41,108**	**30,680**	**57,249**
Other	19,528	19,402	19,667	19,543	19,507	19,683
Total other investments	**19,528**	**19,402**	**19,667**	**19,543**	**19,507**	**19,683**
TOTAL PORTFOLIO INVESTMENT SECURITIES	**80,580**	**65,983**	**106,486**	**60,651**	**50,187**	**76,932**
Peugeot SA (warrants)	30,361	30,361	203,807	-	-	-
Treasury shares	4,218	4,218	5,759	-	-	-
Security deposit	205	205	205	627	627	627
Liquidity agreement	67	67	67	49	49	51
TOTAL OTHER LONG-TERM INVESTMENTS	**34,851**	**34,851**	**209,838**	**675**	**675**	**677**
TOTAL	**115,431**	**100,834**	**316,324**	**61,326**	**50,863**	**77,609**

NOTE 12 CURRENT ASSETS

	Period			
(in thousands of euros)	Gross	Impairment provisions	Net	Previous period
Receivables				
Government - Income tax	1,774	-	1,774	-
Government - Other	484	-	484	7
Short-term income tax receivables from subsidiaries	724	-	724	970
Other receivables	299	-	299	296
	3,281	**-**	**3,281**	**1,273**
Marketable securities				
Cash investments[1]	2,297	-	2,297	6,152
Cash				
Banks	2,412	-	2,412	9,488
Prepaid expenses	**34**	**-**	**34**	**211**
TOTAL	**8,024**	**-**	**8,024**	**17,124**

(1) Cash investments consist of units in regular money-market UCITS and negotiable debt instruments with a maturity of less than 3 months.

NOTE 13 EQUITY

13.1 COMPOSITION OF THE SHARE CAPITAL

(number of shares)	2016	2015
Share capital at beginning of period	25,157,273	25,157,273
Capital reduction through the cancellation of shares	(84,684)	-
Share capital at end of period	25,072,589	25,157,273

At 31 December 2016, FFP's share capital comprised 25,072,589 fully paid-up shares each with a par value of €1 each.

13.2 CHANGES IN EQUITY

(in thousands of euros)	Balance at 31/12/2015	Appropriation of income decided in the 03/05/2016 AGM	Capital reduction	Other changes during the period	Balance at 31/12/2016
Share capital	25,157	-	(85)	-	25,073
Share premiums	158,410	-	-	-	158,410
Statutory reserve	2,541	-	-	-	2,541
Other reserves	948,896	(5,542)	(4,133)	-	939,220
Retained earnings	3,949	(3,949)	-	-	-
Profit for the period	30,623	(30,623)	-	207,815	207,815
Regulated provisions	6	-	-	(6)	-
TOTAL	**1,169,583**	**(40,115)**	**(4,218)**	**207,808**	**1,333,058**

NOTE 14 PROVISIONS

Type of provision *(in thousands of euros)*	Amount at beginning of period	Additions during the year	Amounts used during the year	Unused provisions released during the year	Amount at end of period
Assets					
Impairment provisions					
Long-term investments					
Private equity funds					
French LBO funds	132	-	-	(132)	-
Co-investments	7,446	299	-	-	7,745
Emerging-market funds	2,010	643	-	(37)	2,615
Other funds	4,883	1	(4,816)	-	67
	14,471	**942**	**(4,816)**	**(169)**	**10,427**
Other investments					
Other	126	-	-	(90)	37
	126	-	-	(90)	37
TOTAL PORTFOLIO INVESTMENT SECURITIES	**14,597**	**942**	**(4,816)**	**(259)**	**10,464**
TOTAL ASSETS	**14,597**	**942**	**(4,816)**	**(259)**	**10,464**
Liabilities					
Regulated provisions					
For investment	6	-	(6)	-	-
	6	**-**	**(6)**	**-**	**-**
Contingency provisions					
For retirement benefit obligations	214	116	-	-	330
For long-service benefit obligations	6	-	-	-	6
	220	**116**	**-**	**-**	**336**
TOTAL LIABILITIES	**226**	**116**	**(6)**	**-**	**336**
GRAND TOTAL	**14,823**	**1,058**	**(4,823)**	**(259)**	**10,800**
Movements classified under:					
operations		116	-	-	
financing		942	(4,816)	(259)	
non-recurring		-	(6)	-	

NOTE 15 LIABILITIES

(in thousands of euros)	2016	2015
Borrowings and debt owed to credit institutions		
Credit facilities (principal and accrued interest)(1) (2)	282,080	170,180
Other borrowings (principal and accrued interest)	47,007	47,007
	329,088	**217,187**
Tax and employment-related liabilities		
Personnel	1,244	1,222
Social security and other welfare agencies	507	628
Government - Income tax	-	5,274
Government - VAT	237	258
Government - Other	316	196
	2,303	**7,578**
Liabilities related to non-current assets and related accounts		
Payments to be made in relation to securities and private equity funds	1,708	8,223
Suppliers of non-current assets - Purchase invoices not received	-	8
	1,708	**8,231**
Other liabilities		
Premiums received on sales of call options	-	163,481
Other creditors	482	590
	482	**164,071**
TOTAL	**333,581**	**397,068**

(1) After applying the terms of swap contracts.
(2) Authorised credit facilities of €690,000 thousand, with drawings of €281,000 thousand.

MATURITY SCHEDULE OF BORROWINGS AND DEBTS

(in thousands of euros)	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings and debt owed to credit institutions	1,088	328,000		329,088
Tax and employment-related liabilities	2,303	-	-	2,303
Liabilities related to non-current assets and related accounts(1)		1,708	-	1,708
Other liabilities	482	-	-	482
TOTAL	**3,873**	**329,708**	**-**	**333,581**

(1) Since calls are made by funds depending on their respective investments, and generally within 5 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 16 INFORMATION CONCERNING RELATED COMPANIES AND SHAREHOLDINGS

	2016		2015	
(in thousands of euros)	Related companies[1]	Equity interest	Related companies[1]	Equity interest
Balance sheet items				
Assets (net value)				
Shareholdings	916,494	421,405	916,494	348,024
Receivables connected with shareholdings	269,345	-	183,456	-
Other long-term investments	-	-	-	30,361
Receivables	724	-	970	-
Income statement items				
Services	2,960	-	2,940	-
Income from equity interests	3,028	1	1,561	1
Net non-recurring income/(expense)	-	206,500	-	-

(1) Companies in the FFP group's scope of consolidation, including those accounted for under the equity method.

NOTE 17 FINANCIAL COMMITMENTS

(in thousands of euros)	2016	2015
Commitments received		
Undrawn credit facilities	409,000	401,000
Commitments given		
Commitments to make future subscriptions to securities in the Portfolio Investment Securities category	6,249	9,104
Reciprocal commitments		
Interest-rate risk management transactions		
■ Interest-rate swaps	280,000	280,000
Exchange-rate hedging transactions		
■ Forward purchases of foreign currency	4,423	15,282
TOTAL	**284,423**	**295,282**

OTHER COMMITMENTS

Securities pledged as collateral for borrowings from financial institutions:

- 5,683,192 Peugeot SA shares pledged to BNP Paribas as security for a €47,000 thousand loan taken out by FFP.

FFP has provided €48,148 thousand of security for financing obtained by LDAP.

NOTE 18 EXECUTIVE COMPENSATION

(in thousands of euros)	2016	2015
Attendance fees paid to members of the Board of Directors	652	655
Compensation paid to directors and officers	1,048	1,006
TOTAL	**1,700**	**1,661**

NOTE 19 BONUS SHARE PLAN

On 7 July 2016, in accordance with the authorisation given by the Shareholders' General Meeting on 3 May 2016, 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 7 July 2019, and there will be no subsequent lock-up period.

The grants are subject to beneficiaries being continually 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 2015 and 31 December 2018.

The maximum number of FFP shares that may be granted under the plan is 17,277.

At 31 December 2016, the coverage arrangements for the bonus share plan had not been determined.

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 net asset of €3,126 thousand at 31 December 2016.

NOTE 21 AVERAGE NUMBER OF EMPLOYEES

(number)	2016	2015
Managers	15	16
Employees, technicians and supervisors	1	1
TOTAL	**16**	**17**

NOTE 22 POST-BALANCE SHEET EVENTS

On 6 March 2017, the PSA Group announced that it had formed an agreement with General Motors Co under which the operations of Opel-Vauxhall and the European operations of GM Financial would join the group. Those businesses were valued at €1.3 billion and €0.9 billion respectively. With the addition of Opel-Vauxhall, which generated revenue of €17.7 billion in 2016, the PSA Group will have 17% of the European market, making it Europe's second-largest carmaker.

NOTE 23 LITIGATION

To the Company's knowledge, no litigation concerning FFP is underway.

Financial results for the last five years

(in euros)	2016	2015	2014	2013	2012
I - Year-end financial position					
a- Share capital	25,072,589	25,157,273	25,157,273	25,157,273	25,157,273
b - Number of shares in issue	25,072,589	25,157,273	25,157,273	25,157,273	25,157,273
II - Comprehensive income from operations					
a -1. Revenue excluding VAT	2,960,000	2,940,000	1,600,000	1,600,000	1,570,000
2. Other revenue from ordinary activities[1]	3,398,965	1,584,311	1,812,526	3,670,324	5,999,679
b- Profit before tax, depreciation, amortisation and provisions[2]	206,013,538	36,874,720	12,439,030	(18,502,323)	84,761,072
c - Income tax	(2,095,364)	(4,608,833)	333,991	2,966,490	(158,304)
d - Profit after tax, depreciation, amortisation and provisions	207,814,783	30,623,347	23,600,536	(10,110,571)	90,438,516
e - Profit distributed		40,114,658	50,144,328	-	-
III - Per share data					
a) Profit after tax but before depreciation, amortisation and provisions[2]	8.13	1.28	0.51	(0.62)	3.36
b - Profit after tax, depreciation, amortisation and provisions	8.29	1.22	0.94	(0.40)	3.59
c - Net dividend distributed	1.80	1.60	2.00	-	-
IV - Personnel					
a - Number of employees[3]	16	17	14	14	14
b - Payroll expenses	2,660,898	3,078,507	2,172,396	2,056,928	1,914,415
c - Total benefits (social security, other social benefits, etc.)	1,644,126	1,721,449	1,080,632	1,147,552	923,189

(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 at 31 December 2016

Companies *(in thousands of euros)*	**Share capital**	**Reserves and retained earnings before appropriation of income**	**% interest**	**Carrying amount of securities held: Gross value**	**Carrying amount of securities held: Net value**	**Loans and advances granted by the company and still outstanding**	**Amount of sureties and guarantees given by the company**	**Revenue excluding the VAT in the last year**	**Net profit (loss) in the last full financial year**	**Dividends received by the company during the year**
Interests of 50% or more										
FFP INVEST 66, avenue Charles de Gaulle 92200 Neuilly-sur-Seine	541,011	511,262	100.00	916,494	916,494	269,345	-	-	56,723	-
Interests of between 10% and 50%										
Peugeot SA 75 av. de la Grande Armée[1] 75116 Paris	808,597	12,766,150		421,365	421,365	-	-	179,800	3,315,010	-
Interests of less than 10%										
French companies (aggregate)				39	39					

(1) Financial statements for the period ended 31/12/2015.

Statutory Auditors' report on the parent-company financial statements

Financial year ended 31 December 2016

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2016, on:

- the audit of the accompanying parent-company financial statements of FFP;
- the justification of our assessments; and
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I – Opinion on the parent-company financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the parent-company financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the parent-company financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the parent-company financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2016 and of the results of its operations for the year in accordance with French accounting principles.

II – Justification of our assessments

In accordance with the requirements of Article 823–9 of the French Code of Commerce (Code de commerce) relating to the justification of our assessments, we confirm that the assessments we made related to the appropriateness of the accounting principles used, the reasonableness of the material estimates adopted, particularly as regards the current value of equity securities and Portfolio Investment Securities, which is determined using a multi-criteria approach described in Notes 1.B.1 and 1.B.2 respectively.

These assessments were made as part of our audit of the parent-company financial statements taken as a whole, and therefore contributed to the opinion we formed, which is expressed in the first part of this report.

III – Specific verifications and disclosures

We also performed, in accordance with the professional standards applicable in France, the specific verifications required by French law.

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 documents addressed to shareholders with respect to the parent-company financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article 225–102-1 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 attest to the accuracy and fair presentation of this information.

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.

French original signed in Paris La Défense, 28 March 2017

The Statutory Auditors

SEC3	MAZARS
Philippe SPANDONIS	JEAN LATORZEFF

6

ORDINARY GENERAL MEETING OF 11 MAY 2017

6.1 Statutory Auditors' special reports

Statutory Auditors' special report on related party agreements and commitments

General Meeting called to approve the financial statements for the year ended 31 December 2016

To the Shareholders

Ladies and Gentlemen,

In our capacity as the Company's Statutory Auditors, we hereby report to you on related party agreements and commitments.

It is our responsibility to report to you, based on the information provided to us, on the principal characteristics, key arrangements and reasons for the Company to have entered into the related party agreements and commitments that have been disclosed to us or that we identified during our assignment, without commenting on their relevance or substance or identifying 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 in Article R. 225-31 of the French Commercial Code relating to related party agreements and commitments previously already approved by the General Meeting.

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 engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

RELATED PARTY AGREEMENTS AND COMMITMENTS SUBMITTED FOR SHAREHOLDER APPROVAL AT THE GENERAL MEETING

Related party agreements and commitments authorised during the year

We hereby inform you that we were not notified of any related party agreements or commitments during the financial 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 authorised since the end of the financial year

We have been advised of the following related party agreements and commitments, which have been authorised since the end of the financial year after prior authorisation by the Board of Directors.

Agreement on the undertakings given to Bertrand Finet, Chief Operating Officer

At its meeting on 9 March 2017, the Board of Directors authorised in principle the termination benefit for Bertrand Finet, the Company's Chief Operating Officer, should his term in office be ended as follows:

- this termination benefit will be payable should Bertrand Finet's term in office be terminated by the Company's Board of Directors, unless this termination is triggered by serious misconduct by 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' fixed salary and bonus should his corporate office be terminated in its first year, provided that he has fulfilled at least 50% of the qualitative performance criteria set by the Board for the first year,
  - 1 year's fixed salary and bonus should his corporate office be terminated after the first year, provided that he has fulfilled at least 60% of the qualitative and quantifiable performance criteria to be set subsequently by the Board for 2018,
  - 2 years' fixed salary and bonus should his corporate office be terminated after the second year, provided that he has fulfilled the qualitative and quantifiable performance criteria to be set subsequently by the Board covering the previous 2 years.

RELATED PARTY AGREEMENTS AND COMMITMENTS APPROVED BY THE GENERAL MEETING IN PREVIOUS YEARS THAT REMAINED IN FORCE DURING THE FINANCIAL 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 financial 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;
- FFP's/EFP's representation on PSA's Supervisory Board is to be identical 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 2 for employees. FFP/EPF would also have the option of appointing an adviser. In this instance, Dong Feng Motors and the French Government would also have the right to appoint one adviser each. An FFP/EPF representative would chair the Strategy Committee.

Collective lock-up commitments for Peugeot SA shares entered into jointly by the Company with Établissements Peugeot Frères and Maillot I, as well as with Thierry Peugeot.

On 18 November 2010, the Board of Directors authorised the Company to enter into several collective lock-up commitments concerning shares in Peugeot SA

These lock-up commitments:

- are subject to the provisions of Articles 787 B and 885 I *bis* of the French General Tax Code;
- were entered into jointly by the Company with Établissements Peugeot Frères, Maillot I and Thierry Peugeot in his capacity as Chairman of Peugeot SA's Supervisory Board;
- cover between 59,207,038 and 70,909,498 Peugeot SA shares, including between 40,090,278 and 51,792,738 shares held by the Company.

All these commitments were terminated by the signatories with effect from 24 April 2014 in accordance with the terms of the supplemental agreements dated 19 December 2012 containing the termination clauses. The collective lock-up commitments that expired have now been replaced by an individual obligation to hold Peugeot SA shares.

Collective lock-up commitments for Peugeot SA shares entered into jointly by the Company with Établissements Peugeot Frères, Maillot 1, Sapar, Thierry Peugeot, Jean-Philippe Peugeot, Robert Peugeot and Marie-Hélène Roncoroni

On 15 May 2012, the Board of Directors authorised the Company to enter into new collective lock-up commitments concerning shares in Peugeot SA.

These lock-up commitments:

- are subject to the provisions of Articles 787 B or 885 I bis of the French General Tax Code;
- were entered into jointly by the Company with Établissements Peugeot Frères represented by Jean-Philippe Peugeot, Maillot 1 represented by Jean-Philippe Peugeot, Sapar represented by Philippe Poinso, Thierry Peugeot, Jean-Philippe Peugeot, Robert Peugeot, Marie-Hélène Roncoroni, as well as Thierry Peugeot in his capacity as Chairman of the Supervisory Board of Peugeot SA;
- cover between 75,200,875 and 85,846,345 Peugeot SA shares, including between 52,940,846 and 63,586,316 Peugeot SA shares held by the Company;
- were entered into for a period of 2 years from the date of their registration. At the end of this period, they shall expire, unless expressly renewed in a supplemental agreement to be signed and registered in advance.

These commitments, which were entered into on 12 June 2012 and 19 December 2012, were not renewed upon expiry of the 2-year period, that is on 12 June 2014 and 19 December 2014. The collective lock-up commitments that expired have now been replaced by an individual obligation to hold Peugeot SA shares.

Agreements with and commitments to executive directors:

Agreement on the commitments given to Alain Chagnon, Chief Operating Officer

On 6 December 2006, the Board of Directors authorised an agreement to be entered into containing the commitments given to Alain Chagnon, the Company's Chief Operating Officer, with effect from 1 January 2007.

These commitments are as follows:

- conditions under which his employment agreement, which was suspended upon his appointment as a corporate officer, would resume upon the cessation of his office: it was agreed that the remuneration due under the employment agreement upon its resumption shall be equal to the last fixed remuneration determined by the Board of Directors plus the average of the three most recent bonus payments;
- length of service: it was agreed that the length of his corporate office shall be considered as part of his length of service at the Group, which is used to calculate the length of service under his employment agreement, plus all the years that Alain Chagnon has spent in the PSA Group as an employee;
- unemployment insurance: it was agreed that unemployment insurance would be arranged with GSC under normal conditions providing protection for 18 months, with the Company undertaking to extend this protection, where appropriate, if, owing to a minimum membership requirement covering the first 18 months of this insurance policy, this level of protection could not be provided.

Signed in Courbevoie and Paris, 28 March 2017

The Statutory Auditors

MAZARS Jean LATORZEFF	SEC3 Philippe SPANDONIS

Independent Verifier's report on the employee-related, environmental and social information

For the year ended 31 December 2016

To the Shareholders,

In our capacity as an Independent Verifier, a member of the Mazars network, and FFP's Statutory Auditor accredited by COFRAC Inspection under number no. 3-1058[(1)], we hereby report to you on the consolidated employee-related, environmental and social information for the year ended 31 December 2016, included in the management report (hereinafter referred to as the "CSR Information"), pursuant to Article L. 225-102-1 of the French Commercial Code.

COMPANY'S RESPONSIBILITY

The Board of Directors is responsible for preparing a management report including the CSR Information required by Article R. 225-105-1 of the French Commercial Code prepared in accordance with the procedures used by the Company (hereinafter the "Guidelines"), summarised in the management report.

INDEPENDENCE AND QUALITY CONTROL

The standards of independence by which we must abide are laid down in the regulations, the French professional code of conduct and the provisions of Article L. 822-11 of the French Commercial Code. In addition, we have implemented a system of quality control that includes documented policies and procedures to ensure compliance with the codes of conduct, the professional guidelines issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement and applicable statutory and regulatory requirements.

RESPONSIBILITY OF THE INDEPENDENT VERIFIER

Based on our work, our role is to:

- state whether the requisite CSR Information is present in the management report or, where omitted, whether an appropriate explanation is provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (statement of disclosure of CSR Information);
- express a moderate assurance opinion on the fact that, taken as a whole, the CSR Information is presented fairly, in all material aspects, in accordance with the Guidelines (conclusions about the fair presentation of the CSR Information).

Our work was conducted by a team of 2 people in March 2017 over a period of approximately 1 week.

We performed the work described below in accordance with the professional guidelines issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement, and with the order dated 13 May 2013 determining how the Independent Verifier performs the engagement and with ISAE 3000[(2)] concerning our conclusions on the fair presentation of the CSR Information.

I Statement of disclosure of CSR Information

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding the employee-related and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We cross-checked the CSR Information presented in the management report against the list in Article R. 225-105-1 of the French Commercial Code.

Where certain information was missing, we confirmed that explanations were provided in accordance with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

Based on the work performed, we certify that the requisite CSR Information has been disclosed in the management report.

(1) Authority outlined at www.cofrac.fr
(2) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.

II Conclusions about the fair presentation of the CSR Information

Nature and scope of our work

We met with the manager responsible for preparing the CSR Information, with the divisions in charge of information collection and, where appropriate, with the persons in charge of internal control and risk management procedures to:

- assess the appropriateness of the Guidelines in terms of their relevance, completeness, impartiality, clarity and reliability by with consideration given to the industry best practices, where appropriate;
- verify that the Company had set up a collection, compilation, processing and control process to ensure the completeness and consistency of the CSR Information and familiarise ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information.

We determined the nature and scope of our tests and controls based on the nature and importance of the CSR Information with respect to the specific characteristics of the Company, the employee-related and environmental priorities of its activities, its sustainability guidelines and industry best practices.

For the CSR Information we regarded as the most important(1), at the Legal division we:

- reviewed the documentary sources and conducted interviews to confirm the qualitative information (organisation, strategies, actions), performed analytical procedures on the quantitative information, verified the calculations using sampling techniques and the data consolidation, and checked their consistency and that they are in agreement with the other disclosures in the management report;
- conducted an interview to ensure procedures are applied correctly and implemented detailed testing using sampling techniques to verify the calculations performed and reconcile data to the supporting documents.

The selected sample covers 100% of the headcount.

We assessed the consistency of the CSR Information with our knowledge of the Company.

Lastly, we assessed the relevance of the explanations provided, where appropriate, in the total or partial absence of certain information.

We believe that the sampling techniques and sample sizes that we used based on our professional judgment allow us to express a moderate assurance opinion; a higher level of assurance would have required a more extensive review. Because of the use of sampling techniques and because of other restrictions inherent in the operation of any information system and internal control system, the risk of a failure to detect significant anomalies in the CSR Information cannot be totally eliminated.

OPINION

Based on our work, we did not identify any significant anomalies liable to call into question the fair presentation of the CSR Information, taken as a whole, in accordance with the Guidelines.

Signed in Paris La Défense, 28 March 2017

Independent Verifier

MAZARS SAS

Edwige Rey

CSR & Sustainability Partner

(1) Total workforce, workforce by type of contracts, men/women, review of collective agreements, number of hours of training.

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 3 May 2016:

Resolution/Purpose		Period of Validity/ Expiry date	Maximum amount	Actual use
10th	Authorisation to be granted to the Board of Directors to allot at no cost existing shares or shares to be issued to salaried employees and/or certain of the Company's or related companies' corporate officers.	38 months 3 July 2019	No more than 3% of the Company's share capital.	Used partially by the Board on 7 July 2016
11th	Delegation of powers to the Board of Directors to increase the share capital by capitalising reserves or premiums.	26 months 3 July 2018	€10,000,000	None
12th	Delegation of powers to the Board of Directors 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 3 July 2018	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
13th	Delegation of powers to the Board of Directors 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, without pre-emption rights for shareholders in connection with a public offer with priority rights.	26 months 3 July 2018	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
14th	Delegation of powers to the Board of Directors 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, without pre-emption rights for shareholders in connection with a private placement.	26 months 3 July 2018	Issues of shares or of negotiable securities conferring rights to the share capital: €10,000,000 (subject to a limit of 20% of the share capital p.a.) Issues of negotiable debt securities: €15,000,000	None
15th	Delegation of powers to the Board of Directors 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 3 July 2018		None
16th	Authorisation to be granted to the Board of Directors 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 without pre-emption rights for shareholders, to set the issue price in line with the arrangements laid down by the General Meeting, subject to the upper limit of 10% of the share capital.	26 months 3 July 2018	No more than 10% of the Company's share capital in any 12-month period. Counts against the upper limit set by the Twentieth Resolution	None
17th	Delegation of powers to the Board of Directors 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 negotiable securities conferring rights to the share capital.	26 months 3 July 2018	No more than 10% of the Company's share capital. Counts against the upper limits set by the Twentieth Resolution	None
18th	Delegation of powers to the Board of Directors 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 initiated by the Company.	26 months 3 July 2018	€10,000,000	None

Resolution/Purpose		Period of Validity/ Expiry date	Maximum amount	Actual use
19th	Delegation of powers to the Board of Directors to carry out a capital increase reserved for members of the Group's corporate savings plans.	26 months 3 July 2018	€500,000	None
20th	Upper limit for delegations of powers.	26 months 3 July 2018	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

6.3 Resolutions to be proposed at the Ordinary General Meeting of 11 May 2017

FIRST RESOLUTION

(Review and approval of the parent-company statements for 2016)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the annual financial statements, the management report by the Board of Directors on the financial year now ended, the report by the Chairman of the Board of Directors on the work performed by the Board of Directors and on internal control, and the Statutory Auditors' general report, approves the parent-company statements for the 2016 financial year, as presented, plus the transactions reflected in the financial statements or summarised in these reports showing earnings of €207,814,783.43.

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 2016 financial year)

The General Meeting notes that distributable earnings, consisting of net earnings for the financial year, amount to €207,814,783.43.

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, on the recommendation of the Board of Directors, resolves to appropriate distributable earnings as follows:

- €45,130,660.20 to shares;
- €160,000,000.00 to Other reserves;
- €2,684,123.23 to Retained earnings.

This amount takes into account the number of shares making up the share capital at 9 March 2017 and shall be adjusted based on the number of shares in issue at the dividend payment date. Accordingly, the General Meeting sets the dividend for the financial year at €1.80 per share. The General Meeting resolves that the dividend shall be paid on 18 May 2017. The portion of distributable earnings attributable to shares held in treasury shall be allocated to Retained earnings.

For individuals domiciled in France, the dividend is subject to income tax at the marginal rate and eligible for the 40% rebate provided for in Article 158–3-2° of the French General Tax Code. Prior to payment, except where special dispensation is given, the dividend is subject to the non-definitive mandatory levy of 21% provided for in Article 117 *quater* of the French General Tax Code, by way of an interim income tax payment. In any event, the dividend shall be paid after the deduction of the social security charges and the general social security contribution.

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

	2015	2014	2013
Number of shares	25,072,589	25,157,273	25,157,273
Par value of shares	€1.00	€1.00	€1.00
Dividend per share	€1.60	€2	0

THIRD RESOLUTION

(Review and approval of the consolidated financial statements for the year ended 31 December 2016)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the consolidated financial statements, the management report by the Board of Directors on the financial year now ended, the report by the Chairman of the Board of Directors on the work performed by the Board of Directors and on internal control, and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements for the 2016 financial year, as presented, plus 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, apprised 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 the report and approves the agreements reported.

FIFTH RESOLUTION

(Reappointment of Robert Peugeot as a director)

The General Meeting, apprised of the Board of Directors' report, resolves to reappoint Robert Peugeot for a term in office as a director of 4 years, that is until the close of the 2021 Ordinary General Meeting called to approve the 2020 financial statements.

SIXTH RESOLUTION

(Reappointment of Luce Gendry as a director)

The General Meeting, apprised of the Board of Directors' report, resolves to reappoint Luce Gendry for a term in office as a director of 4 years, that is until the close of the 2021 Ordinary General Meeting called to approve the 2020 financial statements.

SEVENTH RESOLUTION

(Reappointment of Christian Peugeot as a director)

The General Meeting, apprised of the Board of Directors' report, resolves to reappoint Christian Peugeot for a term in office as a director of 4 years, that is until the close of the 2021 Ordinary General Meeting called to approve the 2020 financial statements.

EIGHTH RESOLUTION

(Reappointment of Xavier Peugeot as a director)

The General Meeting, apprised of the Board of Directors' report, resolves to reappoint Xavier Peugeot for a term in office as a director of 4 years, that is until the close of the 2021 Ordinary General Meeting called to approve the 2020 financial statements.

NINTH RESOLUTION

(Advisory vote on the remuneration due or awarded in respect of the financial year ended on 31 December 2016 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, apprised of the report by the Board of Directors, issues an advisory opinion in favour of the remuneration due or awarded in respect of the financial year ended on 31 December 2016 to Robert Peugeot, Chairman and Chief Executive Officer, as shown in the Registration Document, in section 2.7 "*Remuneration due or awarded in respect of the financial year ended 31 December 2016 to Robert Peugeot, Chairman and Chief Executive Officer, subject to shareholders' say on pay*".

TENTH RESOLUTION

(Advisory opinion on the remuneration due or awarded in respect of the financial year ended on 31 December 2016 to Alain Chagnon, Chief Operating Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the report by the Board of Directors, issues an advisory opinion in favour of the remuneration due or awarded in respect of the financial year ended on 31 December 2016 to Alain Chagnon, Chief Operating Officer, as shown in the Registration Document, in Section 2.7 "*Remuneration due or awarded in respect of the financial year ended 31 December 2016 to Alain Chagnon, Chief Operating Officer, subject to shareholders' say on pay*".

ELEVENTH RESOLUTION

(Approval of the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 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, apprised of the Board of Directors' management report prepared in accordance with Article L. 225-37-2 of the French Commercial Code, approves the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to Robert Peugeot for his duties as Chairman and Chief Executive Officer, as shown in that report and in the Registration Document in Section 2.8 "*Report on the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to executive directors*".

TWELFTH RESOLUTION

(Approval of the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to Alain Chagnon, Chief Operating Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the Board of Directors' management report prepared in accordance with Article L. 225-37-2 of the French Commercial Code, approves the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to Alain Chagnon for his duties as Chief Operating Officer, as shown in that report and in Section 2.8 "*Report on the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to executive directors*" of the Registration Document.

THIRTEENTH RESOLUTION

(Approval of the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to Bertrand Finet, Chief Operating Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the Board of Directors' management report prepared in accordance with Article L. 225-37-2 of the French Commercial Code, approves the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to Bertrand Finet for his duties as Chief Operating Officer, as shown in that report and in Section 2.8 "*Report on the principles and criteria applied in the determination, allocation and award of fixed salary, bonuses and exceptional payments making up the total remuneration and benefits in kind of any type due in respect of FY 2017 to executive directors*" of the Registration Document.

FOURTEENTH RESOLUTION

(Approval of the undertaking to pay a termination benefit to Bertrand Finet, Chief Operating Officer)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the special report of the Statutory Auditors on agreements covered by Article L. 225-38 *et seq.* of the French Commercial Code, approves, as required pursuant to Article L. 225-40 of the French Commercial Code, the undertaking authorised by the Board of Directors to award, pursuant to the conditions laid down in Article L. 225-42-1 of the French Commercial Code, a termination benefit to Bertrand Finet, Chief Operating Officer.

FIFTEENTH RESOLUTION

(Reappointment of a Principal Statutory Auditor)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the Board of Directors' report, resolves to reappoint Mazars, 61 rue Henri Regnault, 92075 La Défense Cedex, as Principal Statutory Auditor for a term of 6 financial years, that is until the close of the 2023 Ordinary General Meeting to be called to approve the 2022 financial statements.

Mazars declared in advance that it would accept these duties, should it be entrusted therewith, and that it meets all the requisite conditions to perform them.

The General Meeting resolves, in accordance with the provisions of Article L. 823-1 paragraph 2 of the French Commercial Code, not to reappoint Franck Boyer as Alternate Statutory Auditor.

SIXTEENTH RESOLUTION

(Reappointment of a Principal Statutory Auditor)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised of the Board of Directors' report, resolves to reappoint SEC 3, 8-10 rue Léon Frot, 75011 Paris, as Principal Statutory Auditor for a term of 6 financial years, that is until the close of the 2023 Ordinary General Meeting to be called to approve the 2022 financial statements.

SEC 3 declared in advance that it would accept these duties, should it be entrusted therewith, and that it meets all the requisite conditions to perform them.

The General Meeting resolves, in accordance with the provisions of Article L. 823-1 paragraph 2 of the French Commercial Code, not to reappoint Jean-Philippe Horen as Alternate Statutory Auditor.

SEVENTEENTH 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 outlay of €325,943,670)

The General Meeting, deliberating in accordance with the quorum and majority voting requirements for Ordinary General Meetings, apprised 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:

- 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 Autorité des Marchés Financiers;
- 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 bonus share allotment plan or a corporate savings plan;
- the allotment 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 allotment of the Company's shares;
- the potential cancellation of the shares acquired, pursuant to the Ninth Resolution passed at the Combined Ordinary and Extraordinary General Meeting of 3 May 2016;
- 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 Autorité des Marchés Financiers.

The aforementioned acquisitions, sales and transfers may be effected 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 tender and exchange offer initiated by the Company on the terms and conditions laid down in 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% of the Company's share capital at the date of this General Meeting, which corresponds to 2,507,259 shares each with a par value of €1, it being stated that pursuant to this authorisation, the number of shares held in treasury shall 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 10% of the share capital.

The General Meeting resolves that the total amount spent on these acquisitions may not exceed €325,943,670 and resolves that the maximum purchase price may not exceed €130 per share, it being stated that 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 an allotment of bonus shares during the period of validity of this authorisation and in the event of the subdivision or consolidation of shares, 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 in law, to:

- decide to implement this authorisation;
- lay down the terms and conditions and the arrangements for protecting the rights of holders of negotiable securities conferring rights to the share capital, stock options or rights to the allotment of performance shares, in accordance with the provisions of law, the regulations and contractual agreements;
- place any stock market orders, enter into any agreements, including for administration of the share registers, in accordance with the regulations in force;
- make any declarations and complete any other formalities and, generally speaking, take whatever action is necessary.

The Board of Directors shall 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 with effect from the date of this General Meeting.

EIGHTEENTH 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 filing and publicity formalities required by the legislation in force.

7

ADDITIONAL INFORMATION

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

Chief Legal Officer

Tel.: +33 1(0) 84 13 87 44

Fax: +33 1(0) 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

Chief Investment Officer

Tel.: +33 1(0) 84 13 87 25

Fax: +33 1(0) 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

Statement by the person responsible for the Registration Document

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Robert Peugeot, Chairman and Chief Executive Officer

STATEMENT BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT INCLUDING AN ANNUAL FINANCIAL REPORT CONTAINING THE DISCLOSURES REQUIRED BY ARTICLE 222-3 OF THE AMF'S GENERAL REGULATION AND IDENTIFIED IN THE CROSS-REFERENCE TABLE OF THE ANNUAL FINANCIAL REPORT

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 import.

I hereby declare that, to the best of my knowledge, i) 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 ii) 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 principal risks and uncertainties they face.

I have obtained a statement from the Statutory Auditors at the end of their engagement affirming that they have read the whole of this document and examined the information about the financial position and the historical accounts contained therein.

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 Jean Latorzeff

Date of first appointment: Ordinary General Meeting of 9 June 2011 called to approve the financial statements for the year ended 31 December 2010.

End date of appointment: Ordinary General Meeting called in 2017 to approve the financial statements for the year ended 31 December 2016.

The reappointment of Mazars for another term of 6 financial years will be put to a vote by shareholders at the Ordinary General Meeting on 11 May 2017.

SEC3

8-10 rue Léon-Frot, 75011 Paris

Represented by Philippe Spandonis (replacing Yves Chaumet)

Date of first appointment: 24 June 2008.

Date of most recent reappointment: Ordinary General Meeting of 9 June 2011 called to approve the financial statements for the year ended 31 December 2010.

End date of appointment: Ordinary General Meeting called in 2017 to approve the financial statements for the year ended 31 December 2016.

The reappointment of SEC3 for another term of 6 financial years will be put to a vote by shareholders at the Ordinary General Meeting on 11 May 2017.

Alternate Statutory Auditors

Franck Boyer

61 rue Henri-Regnault, 92075 Paris-La Défense Cedex

Date of first appointment: Ordinary General Meeting of 9 June 2011 called to approve the financial statements for the year ended 31 December 2010.

End date of appointment: Ordinary General Meeting called in 2017 to approve the financial statements for the year ended 31 December 2016.

In accordance with the provisions of Article L. 823-1 paragraph 2 of the French Commercial Code, the proposal not to reappoint Franck Boyer as Alternate Statutory Auditor is to be put to shareholders at the General Meeting of 11 May 2017.

Jean-Philippe Horen

8-10 rue Léon-Frot, 75011 Paris

Date of first appointment: Ordinary General Meeting of 9 June 2011 called to approve the financial statements for the year ended 31 December 2010.

End date of appointment: Ordinary General Meeting called in 2017 to approve the financial statements for the year ended 31 December 2016.

In accordance with the provisions of Article L. 823-1 paragraph 2 of the French Commercial Code, the proposal not to reappoint Jean-Philippe Horen as Alternate Statutory Auditor is to be put to shareholders at the General Meeting of 11 May 2017.

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 can be found.

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N/A: not applicable.

Sections	Headings of Annex 1 of Regulation (EC) No. 809/2004	Pages
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N/A: not applicable.

Sections	Headings of Annex 1 of Regulation (EC) No. 809/2004	Pages
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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
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N/A: not applicable.

7.5 Cross-reference table for the annual financial report

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■ control mechanisms provided for in any employee share ownership plan, when control rights are not exercised by employees (Article L. 225-100-3-5° of the French Commercial Code)	N/A
■ arrangements between shareholders, of which the Company is aware and which may lead to restrictions on share transfers and the exercise of voting rights (Article L. 225-100-3-6° of the French Commercial Code)	89
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■ objective and exhaustive analysis of the Company's trading, results and the financial position of all the companies in the consolidation taken as a whole (Article L. 225-100-2 of the French Commercial Code)	97 - 98
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N/A: not applicable.

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■ summary of the transactions by senior executives in the Company's shares (Article 222-15-3 of the AMF's General Regulation in accordance with Article L. 621-18-2 of the French Monetary and Financial Code)	75
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N/A: not applicable.

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