

PLASTIQUES DU VAL DE LOIRE



ANNUAL FINANCIAL REPORT for the year ended September 30, 2016

PLASTIQUES DU VAL DE LOIRE
Société Anonyme with a capital of €5,531,400
Divided into 2,765,700 shares with a nominal value of €2
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A MESSAGE FROM THE PRESIDENT

Ladies and Gentlemen, Dear Shareholders,

The PLASTIVALOIRE Group is a community-oriented industrial and family-run adventure that has been around for more than fifty years now.

The history of the company has been marked by the many challenges that have been addressed and met successfully thanks to the passion of its employees, the loyalty of its customers and the loyalty of its partners.

This financial exercise, which closed in September 2016, confirms the step forward taken by the Group:

- The strategic choices made in recent years have proved relevant.
- PLASTIVALOIRE reaches record levels in terms of activity and profitability.
- Finally, the stock market recognizes the efforts made in the fields of innovation, growth and communication.




The Group also demonstrated its global ambition with the acquisition of a company in Turkey and the launch of a new production facility in Mexico, which will bring to the Group proximity to the North American market. Present on three continents and in eleven countries, the company is unlikely to stop there.

PLASTIVALOIRE conquered in a few years an envied place in the family of automotive suppliers and convinced the most reputable original equipment manufacturers and clients of the sector. The Company also keeps on the market of the industry and consumer products a strong position.

I feel the future is full of new challenges and I am sure that PLASTIVALOIRE will take them up with excellence and enthusiasm.

The Chairman.



-  Production
-  Production & development
-  Headquarters

A presence in **11** countries

Primarily in Europe

France
Spain
England
Germany
Slovakia
Romania
Poland
Portugal

But also in

Tunisia
Turkey
Mexico

28 Production sites

1 Research centre

4 Development centres

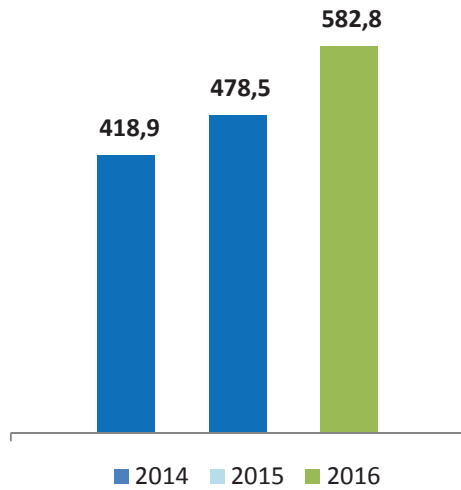
1	PRESENTATION OF THE GROUP	6
I	KEY FIGURES	7
II	ACTIVITY AND STRATEGY	9
III	HISTORY AND EVOLUTION OF THE GROUP'S STRUCTURE	11
IV	RESEARCH AND DEVELOPMENT ACTIVITY	14
V	RISK FACTORS	15
VI	The Group's organizational structure at September 30, 2016	21
2	SUSTAINABLE DEVELOPMENT	22
I	EMPLOYEE INFORMATION	24
II	ENVIRONMENTAL IMPACT OF THE GROUP'S ACTIVITIES	31
III	Information on societal commitments to sustainable development	39
IV	REPORT BY THE STATUTORY AUDITOR, THE DESIGNATED INDEPENDENT THIRD-PARTY BODY, ON THE SOCIAL, ENVIRONMENTAL AND CORPORATE INFORMATION PRESENTED IN THE MANAGEMENT REPORT	43
3	CORPORATE GOVERNANCE	47
I	REPORT OF THE PRESIDENT OF THE BOARD OF DIRECTORS	48
II	CORPORATE GOVERNANCE	48
A	The company's and group's objectives for its internal control procedures	57
III	STATUTORY AUDITOR'S REPORT	60
4	REVIEW OF THE FINANCIAL POSITION	62
I	PLASTIVALOIRE GROUP MANAGEMENT REPORT	63
5	CONSOLIDATED FINANCIAL STATEMENTS	65
I	Consolidated profit and loss account	66
II	Consolidated comprehensive income	67
III	Consolidated statement of financial position	68
IV	Changes in consolidated equity	69
V	Consolidated cash flow statements	70
VI	Appendix to the consolidated financial statements	71
VII	THE STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	107
6	CORPORATE FINANCIAL STATEMENTS AND MANAGEMENT REPORT FOR THE COMPANY PLASTIQUES DU VAL DE LOIRE	109
I	Plastiques du Val de Loire Management Report	110
II	MISCELLANEOUS INFORMATION	116
III	Balance sheet	118
IV	Profit and loss account	119
V	APPENDIX TO THE CORPORATE FINANCIAL STATEMENTS	120
VI	THE STATUTORY AUDITORS' REPORT ON THE CORPORATE FINANCIAL STATEMENTS	136
VII	SPECIAL STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS AND COMMITMENTS	138
7	INFORMATION ON THE COMPANY AND ITS CAPITAL	142
I	INFORMATION ON THE COMPANY	143
II	INFORMATION ON THE CAPITAL OF THE COMPANY PLASTIQUES DU VAL DE LOIRE	147
III	SHAREHOLDER INFORMATION	153
IV	Information policy	155
8	COMBINED SHAREHOLDERS' MEETING	156
I	AGENDA	157
II	PROPOSED RESOLUTIONS	158
III	EMPLOYEE REPRESENTATIVE COMMITTEE'S REMARKS ON THE ECONOMIC POSITION	167
	CERTIFICATION BY THE PERSON ASSUMING RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT	168

1 PRESENTATION OF THE GROUP

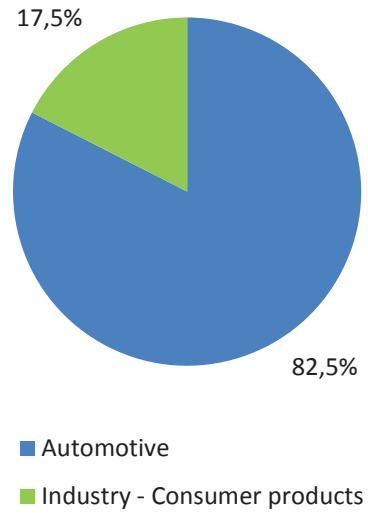


I KEY FIGURES

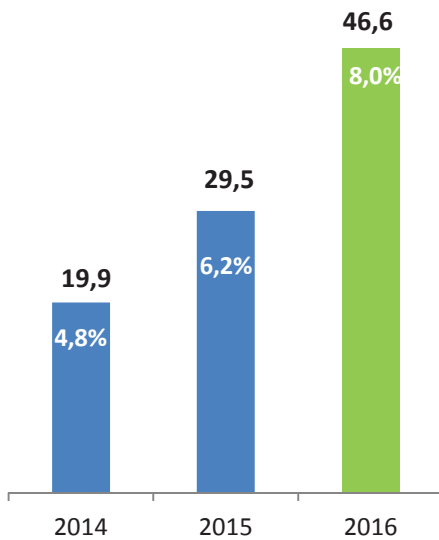
Change in turnover
in M€



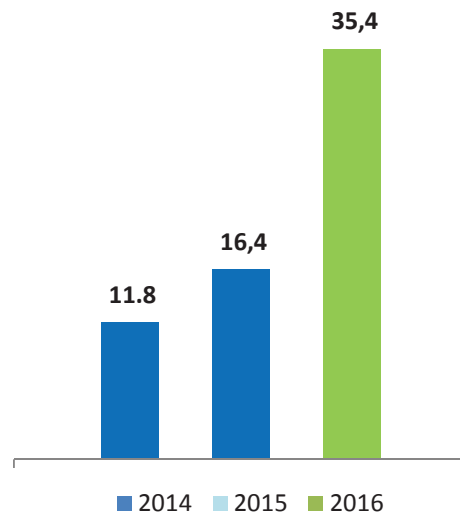
Turnover breakdown
by sector



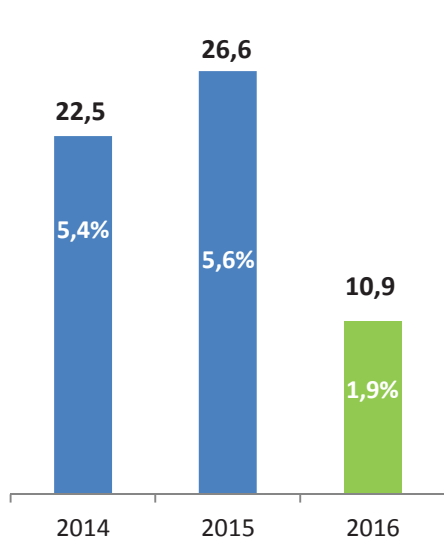
Operating margin
In M€ and in % of turnover



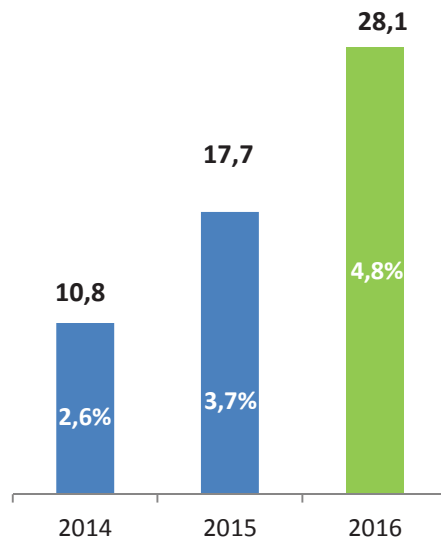
Group share of net income
In M€



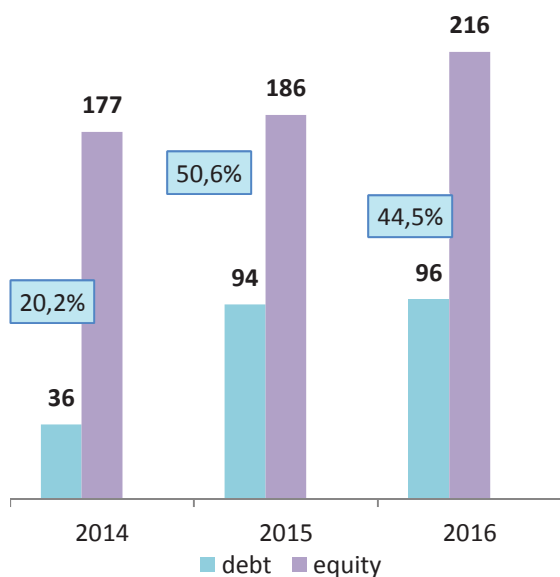
Free cash flow
In M€ and in % of turnover



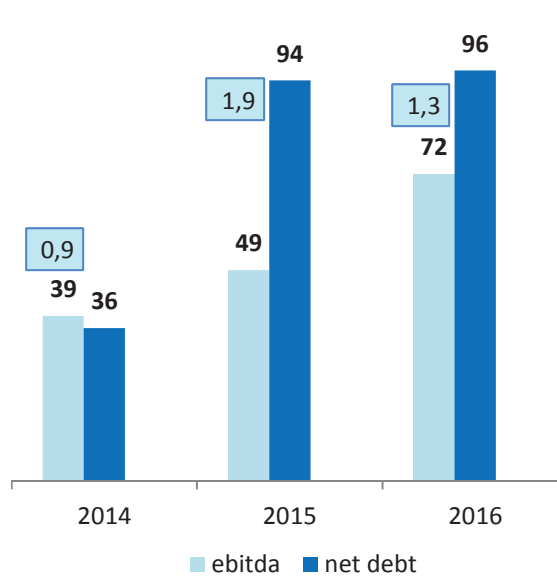
Industrial investments
In M€ and in % of turnover



Net debt / equity
In M€



Net debt / EBITDA
In M€



Industrial investments include acquisitions of tangible and intangible fixed assets, net of divestitures, and the net change in advance payments on fixed assets/to suppliers of assets

Free cash flow is the self-financing capacity less any tangible and intangible investments net of divestitures, taxes and net disbursed financial interests +/- changes in working capital requirements

Net debt includes all long-term financial debts, short-term credits and bank overdrafts less loans and other long-term financial assets, cash and cash equivalents

Equity does not include operating subsidies.

EBITDA corresponds to the operating margin before depreciation and operating provisions.

II ACTIVITY AND STRATEGY

Note 1. PRESENTATION AND ACTIVITIES

PLASTIVALOIRE is a manufacturing group that partners with automotive manufacturers and industry players (electrical, multimedia, etc.) to design and manufacture technical parts and sub-assemblies out of injection-moulded plastic.

For its "automotive" activity, which represented 82% of its turnover in 2016, the Group manufactures 5 main product families for vehicle interiors and exteriors:

- Mechanical parts,
- Decorative parts and knobs,
- Interior and exterior door handles,
- Structural parts (engine components, spoilers),
- Cabinetwork and boot parts.

The PLASTIVALOIRE Group is positioned as a major player in Europe for most of these components for a target group of manufacturers and tier one companies.

Its main competitors are Maïer (Spain), Mecaplast (France) and Dr Schneider (Germany).

The growth prospects for the products developed by the PLASTIVALOIRE Group are very positive, for three main reasons:

- a) Increasing vehicle customization and a niche strategy favouring the use of decorative parts,
- b) Vehicle lightening requirements, which extend the possibilities for the use of plastics,
- c) The near-complete recyclability of thermoplastic materials, leading to increased use.

For its "industrial" activity, the Group operates in sectors requiring technical components (with precise specifications, requiring specific materials, composites, etc.) such as:

- Electrical equipment,
- Multimedia,
- Aeronautics.

The Group has 28 factories: 13 in France, 12 in the rest of the European Union, and 3 outside the EU.

These factories can (in most cases) manufacture products for both activity sectors.

All of them are equipped with injection moulding processes (and derivatives) with capacities between 50 and 2,700T depending on need, and with assembly processes.

Some of the factories are more specialized in decoration processes, including chrome finishing or interior and exterior painting lines.

To enrich its offering, the Group has one R&D centre, 3 development centres (2 in France and 1 in Germany) and 2 testing centres.

The Group employed 5,738 people in 2016, including 2,165 in France, 2,927 in the EU outside of France, and 646 outside the EU.

Note 2. **STRATEGY**

The Group pursues a development strategy with the following 3 focuses:

- Continue to reduce dependence on French vehicles via accelerated development and market expansion towards premium vehicles.
- Increase the ratio of "automobile" activities to "industry & consumer products" towards a target of 70% : 30% through an external growth strategy focused on technical and high value-added products.
- Develop a presence outside Europe (Mexico, etc.) to support the local production of our main customers.

Note 3. **MARKETS**

The PLASTIVALOIRE Group's target markets are expected to grow in the coming years.

In the automobile sector, global production is expected to grow by approximately 3% per year.

In the industrial sector, the rapid development of "intelligent" communication and recording technology (such as Linky meters), combined with the growing use of plastics in many other sectors (medical, pharmaceutical, food processors, cosmetics, sound equipment), offers a large potential for development.

III HISTORY AND EVOLUTION OF THE GROUP'S STRUCTURE

- 1964** Charles FINDELING founds a plastic injection-moulding company specialized in the manufacture of promotional toys.
- 1972** Patrick FINDELING joins the company, whose turnover reaches 4 million francs.
- 1975** The company, which expanded into the manufacture of plastic parts for the dairy industry, appoints Patrick FINDELING as its Managing Director. By then, the turnover had grown to 7.5 million francs.
- 1983** PLASTIQUES DU VAL DE LOIRE completes its first external expansion operation, taking over the manufacturing facilities of the company PLASTEURE in CHINON
- 1985** Patrick FINDELING is appointed President and Managing Director. The turnover reaches 85 million francs.
- 1987** PLASTIQUES DU VAL DE LOIRE acquires an integrated television face and back piece injection-moulding unit and creates its first subsidiary, PLASTIQUES DU VAL DE L'ORNE, in FLERS (Orne).
- 1989** To keep up with increasing demand for large parts, the company DREUX INJECTION is founded.
- 1991** PLASTIQUES DU VAL DE LOIRE is launched on the Paris Secondary Stock Market. Its consolidated turnover reaches 324 million francs.
- 1992** The company CENTRE TECHNIQUE DE MOULAGE (SABLE SUR SARTHE) is acquired and becomes the Group's fifth production site.
- 1993** The Group acquires a stake in the company LA TOLERIE PLASTIQUE (Normandy), specializing in plastic bending and welding.
- 1995** The minority stake in LA TOLERIE PLASTIQUE is sold.
- 1996** In collaboration with PHILIPS, the group builds its first factory outside French borders, founding the company F.P.K (Poland).
A minority stake is acquired in the group ERCE PLASTURGIE (MARTIGNAT).
- 1997** The group PLASTI F.L (SAINT SYLVAIN D'ANJOU) is acquired and a factory is built in MAMERS (MAMERS INJECTION), as part of an outsourcing initiative led by the MOULINEX Group.
- 1998** PLASTIQUES DU VAL DE LOIRE sells its stake in the capital of ERCE PLASTURGIE.
It takes control of the ERE PLASTIQUE Group (LYON) and builds its second production site in Poland (KETRYN).
- 1999** Construction of the third Polish factory is launched and the company F.P.G is founded for this purpose.
Through CREUTZWALD INJECTION, a subsidiary created for this purpose, the Group acquires the CONTINENTAL EDISON integrated injection-moulding workshop.
- 2000** PLASTIVALOIRE acquires 70% of the capital of PLASTIQUES AMIENS, which is responsible for the injection-moulding of dashboard parts for the Italian automotive supplier MAGNETI MARELLI.

The Group expands to Romania within the framework of a majority joint venture with a local company. The subsidiary ELBROMPLAST is created and the construction of a factory is begun in TIMISOARA, primarily dedicated to the manufacture of telephones.

The company PLASTIQUES DU VAL DE LOIRE sells its dairy mould manufacture and assembly activity to SECRIL, a subsidiary of the German company ALPMA, the main customer for this activity.

- 2001** The companies PLASTI F.L and CENTRE TECHNIQUE DE MOULAGE are merged and unify their production capacities in SABLE SUR SARTHE in a factory that has been expanded for this purpose. This operation is conducted in order to streamline the Group's operations.

A third Polish subsidiary is created, FABRYKA PLASTIKOW POMERANIA.

PLASTIQUES DU VAL DE LOIRE increases its stake in the subsidiary AMIENS INJECTION to nearly 100%.

- 2002** The companies MAMERS INJECTION and DREUX INJECTION are merged. Both sites are kept. The FLERS production site, operated by PLASTIQUES DU VAL DE L'ORNE, is shut down.

- 2003** The Spanish subsidiary CARDONAPLAST is created in Catalonia.
In parallel, a 25% stake is acquired in the Spanish injection-moulding company INJECTER, a subsidiary of the partner in the CARDONAPLAST joint venture.

The Group expands into Tunisia, creating a common subsidiary, in which it holds a 59.97% stake, with a local manufacturing partner.

- 2004** Two new factories are built by the subsidiaries created in 2003. They begin production in May 2004 (Spain) and January 2005 (Tunisia)

- 2005** The assets of PLASTIQUES DU VAL DE L'ORNE are transferred to PLASTIQUES DU VAL DE LOIRE as part of its dissolution without liquidation.

- 2006** A new subsidiary, DUNA INJECTION, is created in Hungary to take over the plastic injection-moulding activity previously conducted by the PANNONPLAST Group on the Szekesfehervar site.

- 2007** The subsidiary AMIENS INJECTION, encountering temporary financial difficulties, undergoes insolvency proceedings. A continuation plan is implemented to ensure its continued existence.

- 2008** Adoption by the SA PLASTIQUES DU VAL DE LOIRE of the Board of Directors as its mode of governance, replacing the Management Board and Supervisory Board.
Creation of a Slovakian subsidiary, NITRA PLASTIC FACTORY.
Merger of the company FABRYKA PLASTIKOW POMERANIA into its sister company FABRYKA PLASTIKOW GLIWICE.

- 2009** Takeover from the KEY PLASTICS Group, in receivership, of its French and Slovakian automotive supply activities. On this occasion, our subsidiary NITRA PLASTIC FACTORY acquired Key Plastics' Slovakian business, became a 100% subsidiary and took the name AUTOMOTIVE PLASTICS SLOVAKIA.

The DREUX site, which was controlled by the subsidiary OUEST INJECTION, is shut down.

- 2010** Acquisition of an additional stake in the capital of the Spanish subsidiary CARDONAPLAST, now fully owned.
Sale of the 25% stake in the Spanish company INJECTER to its senior partner.

Founding of the Hungarian company DUNA INJECTION REAL ESTATE, a real estate company owning the buildings of DUNA INJECTION PLASTIC FACTORY.

Creation of the Tunisian company INJECTION PLASTIQUES SYSTEMES to operate a plastic injection-moulding factory in SOUSSE.

- 2011** Acquisition of a majority stake in the capital of the PARFIB company, a holding company under the BOURBON Group, by way of purchase of shares and contribution of cash and shares in four subsidiaries of the AUTOMOTIVE subgroup of the KEY PLASTICS Group.
Following this transaction, conducted in collaboration with the Fonds de Modernisation des Équipementiers Automobile (FMEA), and an additional acquisition of shares, PLASTIQUES DU VAL DE LOIRE held nearly 65.36% of the capital of BOURBON AUTOMOTIVE PLASTICS HOLDING (e.g. PARFIB), which is the holding company for a group composed of companies operating as Tier 1 and 2 automotive suppliers.
- 2013** Creation of the Slovakian company BIA PLASTIC AND PLATING TECHNOLOGY SLOVAKIA SRO in partnership with the German manufacturer BIA BETEILIGUNGSVERWALTUNGS GmbH. This is a joint venture 40% owned by the Group, created for the purpose of operating a chrome plating company in Slovakia.
Creation of the German company BOURBON AUTOMOTIVE PLASTICS GmbH. This is a fully-owned subsidiary of BOURBON AUTOMOTIVE PLASTICS HOLDING, created for the purpose of establishing commercial contacts and offering industrial developments to the major German automotive contractors.
- 2014** Start of production in the BIA PLASTIC AND PLATING TECHNOLOGY SLOVAKIA SRO factory in the spring.
- 2015** Creation of the German subsidiary PLASTIVALOIRE GERMANY GmbH.
Acquisition by PLASTIVALOIRE GERMANY GmbH of 100% of the capital of the German company KARL HESS, specializing in the engineering and manufacture of technical plastic parts.
Acquisition by BOURBON AUTOMOTIVE PLASTICS GmbH of 100% of the company OTOSİMA PLASTİK SANAYİ VE TİCARET ANONİM ŞİRKETİ, a Turkish company based in Bursa, specializing in the manufacture of high value-added painted plastic parts, renamed BAP BURSA.
- 2016** Creation of the Mexican company PLASTIVALOIRE MEXICO SA DE CV for the purpose of operating a plastic injection-moulding factory in SAN LUIS POTOSI. Production will begin in the first quarter of 2017.

IV RESEARCH AND DEVELOPMENT ACTIVITY

In the last few years, PLASTIVALOIRE has prioritized innovation in order to set itself apart from its main competitors by providing new solutions to its current and future customers. PLASTIVALOIRE's innovation strategy involves relying on young, innovative companies and organizations looking for partners or customers in order to apply the work resulting from their research in mass manufacturing conditions or develop technologies that have not yet been industrialized. As part of this strategy, for example, PLASTIVALOIRE partnered with the Centre d'Energie Atomique (CEA) du Ripault, dedicated to energy storage, in 2013, to produce bipolar plates to be used in fuel cells, thanks to a knowledge transfer from CEA to PLASTIVALOIRE. For the purpose of expanding its network of scientific partners, PLASTIVALOIRE has since developed a relationship with other organizations, including the Centre technique des industries de la mécanique (CETIM), the Pôle Européen de Plasturgie (PEP), the Institut Supérieur de Plasturgie d'Alençon (ISPA) and the Société Française des Ingénieurs des Plastiques (SFIP)

In 2016, PLASTIVALOIRE mobilized all of its technical R&D resources in order to efficiently introduce lightening solutions to the market to meet the high demand of its main customers. New manufacturing processes and new materials, mostly fibre-reinforced (carbon, linen, wood, etc.), were thus developed. Work is currently underway involving hollow glass beads, which should offer lightening possibilities which have never before been offered on the market.

The positive results obtained by the PVL Group's factories in the last few years have enabled investments in R&D and innovation to steadily increase. Between 1 and 2% of PLASTIVALOIRE's turnover is invested each year to fund R&D activities.

The opening of its testing centre dedicated to the development of injection-moulding processes and tools has allowed PLASTIVALOIRE to consolidate its position as a leader in its field, but has also enabled it to create modern equipment allowing it to innovate and reduce its development costs. With 250 engineers and technicians divided between its two R&D centres, PLASTIVALOIRE is committed to continuing its efforts to develop new processes and innovate to meet its customers' demands.

An expert in both injection-moulding and decoration, PLASTIVALOIRE has decided to invest in new, outstanding equipment in 2017 in order to satisfy its customers' needs with regard to the decoration of their plastic parts. This investment in the creation of a centre dedicated to decoration is a growth opportunity for PLASTIVALOIRE which will undoubtedly have a positive impact on the Group's future results.

On September 30, 2016, PLASTIVALOIRE held 57 patents.

V RISK FACTORS

The Group endeavours to monitor and control risks that might affect the achievement of its goals. Generally speaking, all of the risks identified by the Group are examined and discussed during dedicated fora. Risks of a financial nature are centrally managed, for all of the companies in the Group, by the Group's Finance Department. Risks related to personal safety, quality, program management, liquidity risk, IT risk, the reliability of supplies, asset protection and fire risk, the exposure of the manufacturing sites to certain types of natural disasters, employees' international exposure to health and safety risks, the reliability of financial information, compliance and the environment are the subject of additional study.

PLASTIVALOIRE has reviewed its risks and does not currently believe that there are any significant risks outside of those mentioned below.

Note 1. OPERATIONAL RISKS

A – Risk of dependency on the automotive sector and its customers

Many factors involving the global economy, potential new government measures and vehicle manufacturers' success in their markets, influence the volumes and levels of equipment ordered by manufacturers.

To address this risk, PVL continues to:

- Diversify its customer portfolio beyond the historic French generalist automakers, towards Asian generalist automakers,
- Diversify its customer portfolio beyond the generalist automakers on a regional scale, towards world-class premium automakers, compensating for the effects of regional cycles,
- Offer a product portfolio that can cover everything from low-end vehicles to high-end vehicles, catering to the full range of user purchasing power levels.

Thus, in 2016, the Group's top five customers represented only 51.4% of product sales.

B – Customer credit risk

Given the economic context of the automotive sector, PLASTIVALOIRE cannot rule out the possibility that some of its customers might be unable to honour part of their contracts or encounter financial difficulties.

On September 30, 2016, payment delays represented 27.6 million euros, or 4.7% of the consolidated turnover for the financial year. Trade accounts receivable are detailed in Note 16 of the appendix to the consolidated financial statements.

C – Risk related to the Company's external growth strategy

As part of its external growth strategy, PLASTIVALOIRE has conducted and may conduct acquisitions of varying scales, some of which have been or may be significant at the Group level. These acquisitions involve risk, namely the following risks:

- the assumptions used in the business plans on which valuations are based may not prove to be accurate, in particular with respect to synergies and expected commercial demand;
- PLASTIVALOIRE may not successfully integrate the acquired companies, their technologies, product lines and employees;
- PLASTIVALOIRE may not be able to retain certain key employees, customers or suppliers of the acquired companies;
- PLASTIVALOIRE may wish or be forced to end pre-existing contractual relationships under costly and/or unfavourable financial conditions; and
- PLASTIVALOIRE may increase its indebtedness to fund these acquisitions or refinance the debt of the acquired companies.

As a result, the expected profits from future or completed acquisitions may not prove to be accurate within the timeframes and/or at the levels expected, and might thereby affect the financial position of the PLASTIVALOIRE Group.

The Board of Directors determines the main lines of focus of the Group's strategy; General Management directs this strategy and allocates the resources required to achieve it. The team in charge of strategy, under the responsibility of the Group's President, is highly involved in the lives of the entities created as part of growth operations (joint ventures, acquisitions, creations) and takes part in decision-making processes. In addition, PLASTIVALOIRE takes all the reserves that may be required in light of the applicable accounting standards, namely asset impairment.

Note 2. FINANCIAL AND MARKET RISKS

A – Currency risk

PLASTIVALOIRE is exposed to currency risk as part of its industrial and commercial activities and the financing of its foreign subsidiaries. This risk is monitored and centralized by PLASTIVALOIRE's Management.

PLASTIVALOIRE's general policy is to not hedge its cash flows in foreign currencies.

An addition, equity investments are not covered by foreign currency hedges.

B – Interest rate risk

PLASTIVALOIRE has little exposure to interest rate risk as only 5.2% of its debt is variable-rate. A 0.5-point rate variation would result in a 37 thousand euro increase in yearly financial costs (IFRS 7).

C – Liquidity risk

The Group is financed via the capital markets in the form of:

- bank debt or the issuance of short-term loans,
- factoring contracts for customer receivables.
 - Annual renewal by tacit agreement
 - The funding cap totals 37.4 million euros
 - The amount used at 30/09/2016 was 11.5 million euros.

In this context, PLASTIVALOIRE has, at all times, sufficient financial resources to ensure its continuous operation.

D – Raw materials risk

PLASTIVALOIRE has little exposure to raw materials risk as, under its agreements with its customers, raw materials cost increases (namely for plastic) are systematically reflected in resale prices.

Note 3. Legal risks

A – Risks related to the products sold

In the event of a malfunction or defect due to a design or manufacturing flaw attributable to PLASTIVALOIRE, the company may be held liable for the resulting personal injury or material or intangible damage. These circumstances may involve expenses related to product recall, which may have a significant impact on the Group's profitability and cash flow. PLASTIVALOIRE's commercial reputation may also be damaged. To prevent such risk, PLASTIVALOIRE has implemented quality procedures during the design, development and production phases for its products, processes and solutions. In the event of a product return, the nature and source of any defects are analysed and corrective actions are implemented. The Group has also taken out insurance coverage, namely to cover civil liability and the product recall risk (cf. Insurance risk).

B – Counterfeiting risk

The development and protection of PLASTIVALOIRE's patents, know-how and trademarks ("intellectual property rights") play a decisive role in its future business and success. In the event of infringement of its intellectual property rights by a third party, the Group may be required to mobilize significant resources to control, protect and assert its rights. A lack of protective measures could imperil the Group's competitive advantage, or even its business. In addition, the unauthorized use of intellectual property rights is difficult to control, particularly in foreign countries where laws do not always effectively ensure that these rights will be protected. These rights could be infringed or used without PLASTIVALOIRE's consent, which could have a significant detrimental effect on the Group's reputation and its operating results. To reduce this risk, the patents developed or acquired by the Group are monitored by the Legal Department, which centralizes and manages intellectual property matters for the entire Group and defends the Group's interests worldwide. The same processes and organizations apply in relation to the Group's brand portfolio.

C – Risks relating to litigation

Some of the entities in the Group are directly or indirectly involved in proceedings before commercial courts, although no serious or proven risk of a conviction involving them has yet been identified. While it is impossible to predict with certainty the outcomes and/or the costs related to these proceedings, PLASTIVALOIRE believes that they are not likely to have a significant impact on its business, the value of its assets, its financial soundness or its profitability. To the company's knowledge, there are no other pending or potential government, legal or arbitration proceedings, including proceedings of which the company is aware, which are likely to have, or have had in the last 12 months, a significant impact on the financial position or the profitability of the company and/or the Group.

Note 4. INDUSTRIAL AND ENVIRONMENTAL RISKS

As with all industrial activities, the PLASTIVALOIRE Group's sites are exposed to various kinds of risk: fire, explosion, system failure, pollution, non-compliance with applicable regulations, etc. Such events could generate additional costs and investment expenditures for the Group.

A – HSE (HYGIENE, SAFETY AND ENVIRONMENT) STRUCTURE:

The PLASTIVALOIRE Group places special emphasis on the control of its sites' environmental impact, from the project start-up phase to regular site operation.

The safety and environmental policies are developed and implemented by the Group's HSE Department. To implement these policies and accomplish its duties, a Safety/Environment contact person is present on each site. These contact people, in collaboration with the factory's management, are responsible for applying the procedures and oversee compliance with regulations and with the PLASTIVALOIRE Group's standards.

B – METHODOLOGY:

The analysis and control of environmental risk is based on internal audits carried out by the Group's HSE Department. These annual audits serve to ensure that the group's environmental guidelines are correctly applied.

Each of the Group's sites, due to its industrial activities, is subject to legal and regulatory requirements relating to safety and the environment. These requirements give rise to obligations, restrictions and the implementation of preventive and protective measures relating to different factors: air and water emissions, the use of hazardous products, waste emission, pollution risks, etc.

Each site is required to obtain authorization to operate or to submit notifications prior to industrial start-up (Installations Classées pour la Protection de l'Environnement); thus, all of the PLASTIVALOIRE Group's sites must comply with these authorizations and are regularly subjected to inspections by the competent authorities. Non-compliance with one of these matters identified by the Group's HSE Department allows the situation to be resolved using an action plan in order to ensure compliance with the defined environmental rules.

Thanks to its network of Safety/Environment contact people, information on best practices, feedback and local regulatory requirements are directly relayed to the Group's HSE Department.

The HSE Department also performs monthly regulatory monitoring and centralizes all information, creating a comprehensive database and thereby facilitating the deployment of new applicable procedures on all sites.

C – ENVIRONMENT:

The Group has committed to multiple measures to reduce energy consumption. 3 French sites have implemented an energy audit. These energy audits were the starting point for an energy consumption control strategy. In purchasing new equipment, the Group currently favours state-of-the-art equipment which is more powerful and consumes less energy. For example, the purchase of the latest generation of injection presses equipped with a frequency inverter system on the hydraulic power units, or the installation of process water cooling units equipped with a "free-cooling" system and variable-speed compressors.

The Group has also implemented an energy-saving strategy involving the sites' lighting, and research is underway to install LED lighting on 3 of our sites.

The Group has committed to a waste volume reduction strategy involving encouraging the reuse and recycling of each factory's waste.

Investments in environmentally-friendly processes have led to the installation of a VOC (volatile organic compound) incinerator on two sites with high painting activity, strongly reducing the impact of their activities on air quality (air emissions reduced by 98%).

The PLASTIVALOIRE Group has committed to fully meeting its customers' requirements concerning environmental regulations for the products delivered (verification of parts' compliance by the Group's HSE Department and issuance of certificates). It is actively engaged in supporting and ensuring the continuation of the measures taken by its customers, namely by considering the parts' life cycles (recyclability) when designing products and processes.

D – CHEMICALS:

With regard to the EU REACH regulation (Registration, Evaluation and Authorization of Chemicals), the PLASTIVALOIRE Group complies with the requirements for the implementation of a regulatory framework governing the recording, assessment, authorization and restriction of chemical substances. The Group's sites qualify as downstream users of chemicals; the group has been actively involved in regular discussions with its suppliers and customers over the years and the parts produced by the factories are systematically verified for compliance with REACH requirements (issuance of certificates).

For multiple years, the Group has been committed, in collaboration with its suppliers, to avoid using products containing CMR substances (carcinogens, mutagens and reprotoxins) whenever possible. This concept has also been integrated in the project stages and in the suppliers' specifications; in the event that CMR-containing products must be used on a production site (due to the absence of a technical replacement solution), all suitable collective and individual protective measures are required to be taken. The use of chemicals is monitored through the centralization and analysis of the Safety Data Sheets of all products arriving on-site.

In order to control chemical risk, PLASTIVALOIRE's sites are controlled through internal audits of the preventive measures implemented during the handling, storage, use and disposal of chemicals. Special attention is paid to the prevention of accidental pollution, in compliance with regulatory requirements (placing of all chemicals in the factory under containment).

E – HEALTH AND SAFETY:

In compliance with regulations, each site possesses a document analysing its workplace risks, updated annually (Document Unique). Improvements are regularly made to workstations with the potential to cause repetitive strain injuries to employees, or other factors analysed via on-site working groups and action plans regularly updated in the central system. In this context, all of the sites have completed an internal "movements and postures" training program adapted to each employee's work. The CHSCTs are fully involved in this process. Generally speaking, employees receive safety training related to their workstations.

F – FIRE SAFETY:

The Group strengthens its preventive approach to reducing the risk of fire by updating site emergency, intervention and evacuation procedures. Each site coordinates with local emergency services (fire department) and on-site exercises are conducted in collaboration with these external emergency services.

Staff members are trained (Response Team training) in the actions to take in the event of a fire or accident. They are also trained in managing the emergency evacuation of all employees, calling for external assistance

and safeguarding important equipment such as computer servers. All employees are informed of this organization and take part in the regularly-scheduled evacuation drills.

Note 5. **INSURANCE AND RISK COVERAGE**

The PLASTIVALOIRE Group has taken out its insurance policy against property damage and business interruption with Axa for lead underwriting and with Allianz and Tokio Marine for coinsurance. The coverage consists of a Master policy covering the sites located within the European Union with the freedom to provide services, and local policies for risks outside the EU area.

The damage coverage is supplemented by a stock throughput and automobile fleet policy.

Royal & Sun Alliance (RSA) is the PLASTIVALOIRE Group's general civil liability insurance provider. This program covers civil liability for operations and civil liability for delivered products. This program is composed of a Master policy supplemented by local policies in the countries where the Group's subsidiaries operate.

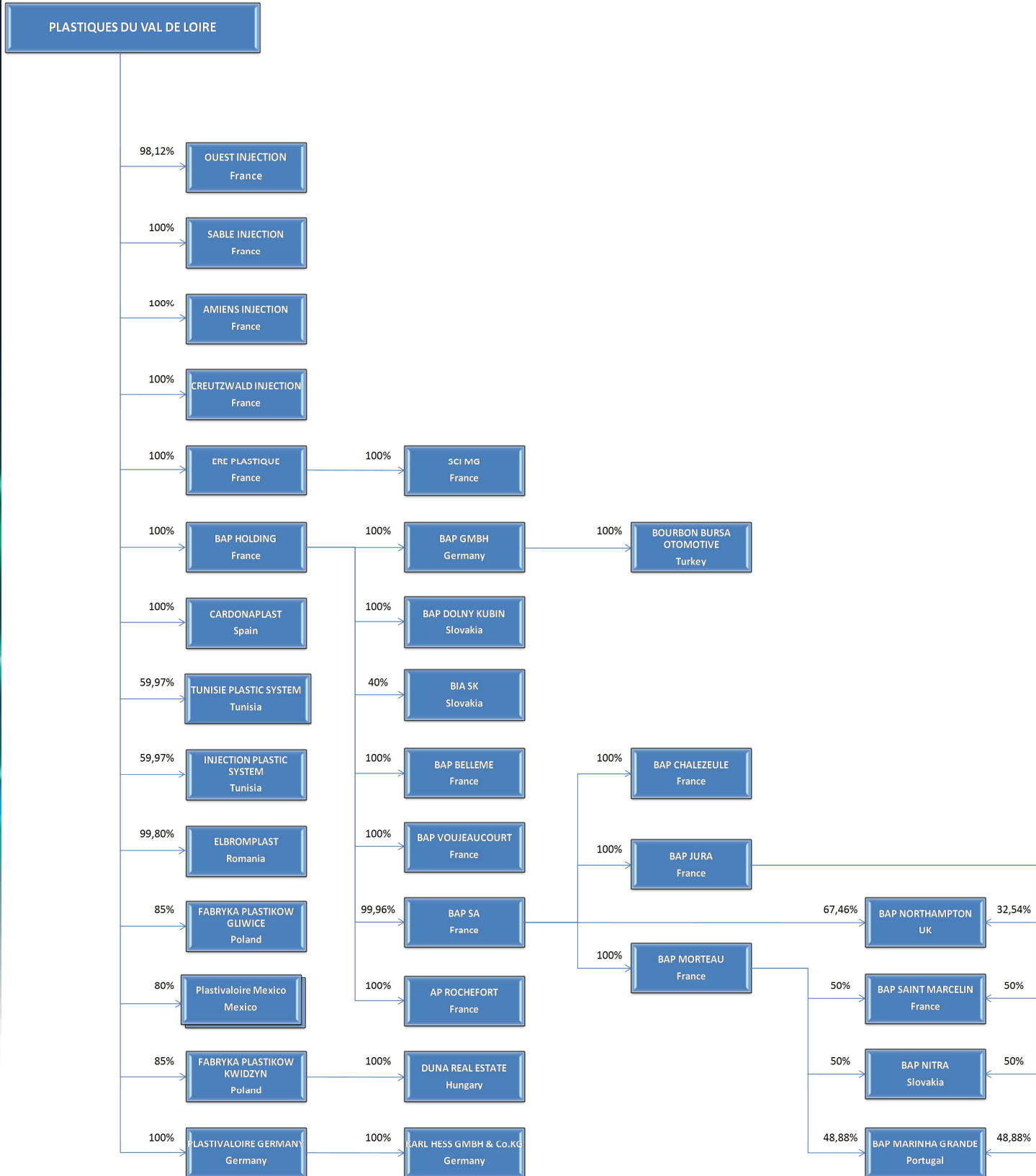
Environmental liability, aeronautical civil liability and directors' liability policies complete the Group's insurance arrangements.

Specific local policies have been taken out to comply with each country's local requirements (e.g. Employer's Liability in the UK).

With regard to the claim rate, multiple claim files were opened during the 2015-2016 financial year. Some of them are still ongoing and might affect the terms of the civil liability insurance program for the next year.

For the 2015-2016 financial year, the Group's overall cost for the insurance policies was 1.8 million euros excluding tax.

VI The Group's organizational structure at September 30, 2016



2 SUSTAINABLE DEVELOPMENT



NB: The matters referred to in paragraphs 5 and 6 of this section, given below, are presented in application of Articles L. 225-102-1, R. 225-104 and R. 225-105 of the Commercial Code. They are intended to meet the obligations set out in the Implementing Decree concerning Corporate Transparency in terms of Social and Environmental Practices.

Together, they form a special report composed of three distinct parts:

- social responsibility;
- environment;
- societal responsibility.

The indicators given in the Corporate Social Responsibility report were selected by the Group's management bodies on the basis of the relevance and importance of that data to the business.

Unless otherwise specified, the scope of this report covers PLASTIQUES DU VAL DE LOIRE and all of the subsidiaries by full consolidation.

The indicators given are based on real data for the period from October 1st, 2015 to September 30, 2016.

The CSR indicators selected by the Group meet the materiality criteria and are relevant to its plastic injection-moulding activity. Therefore, the following information will not be taken into consideration, as it is deemed inapplicable to the PLASTIVALOIRE Group:

- measures taken to preserve or increase biodiversity;
- adaptation to the impacts of climate change.

The social indicators are sourced from the human resources information system.

The environmental indicators and indicators concerning goods and utilities provided by our main suppliers are sourced from the accounting and procurement tracking system, supplemented by modules facilitating the monitoring of the completeness and correct valuation of transactions (monitoring of travel expenses, general overheads, etc.).

I EMPLOYEE INFORMATION

Customer satisfaction is PLASTIVALOIRE's first priority. This involves both product quality and the quality of the services rendered (responsiveness, quality, timeframes, etc.). One of the key factors in this satisfaction is the maintenance of an excellent social fabric within the company.

Since its founding, the Group has benefited from a responsible, pragmatic social policy, which can be gauged by the near-total lack of days on strike.

PLASTIVALOIRE also endeavours to foster its employees' individual and collective involvement, and, as such, has developed a suitable human resources development policy.

The internal promotion policy is one of its drivers.

The company also places an emphasis on accident and risk prevention. Thanks to this, the workplace accident rate has remained stable.

In this context, the Group encourages employees to make recommendations and implements them when appropriate.

PLASTIVALOIRE is also committed to optimizing its teams' expertise to adapt their skills to economic and technological developments and encourage professional growth.

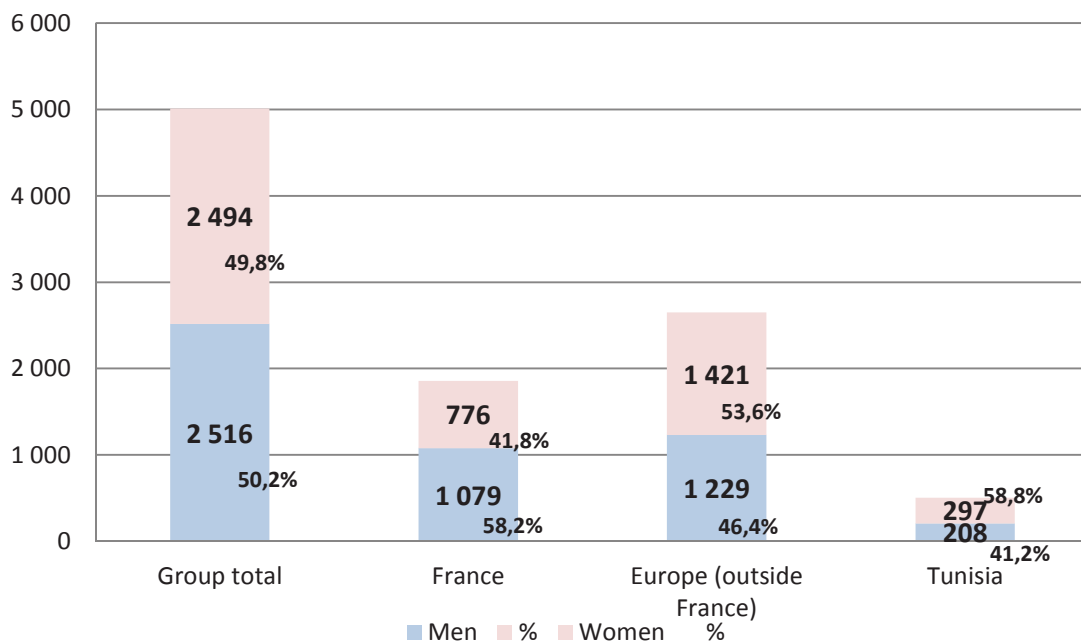
Employee training and skill-sharing are two of the pillars of this policy.

Globally consolidated data

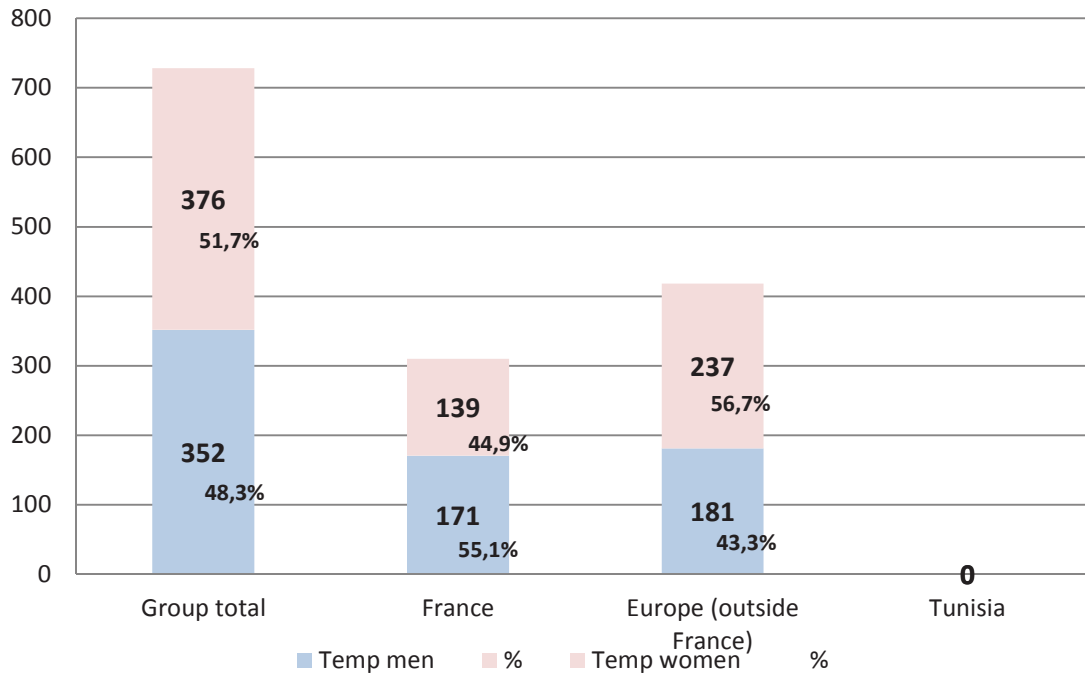
Note 1. Employment

Average workforce by gender on September 30, 2016

5 010 permanent employees



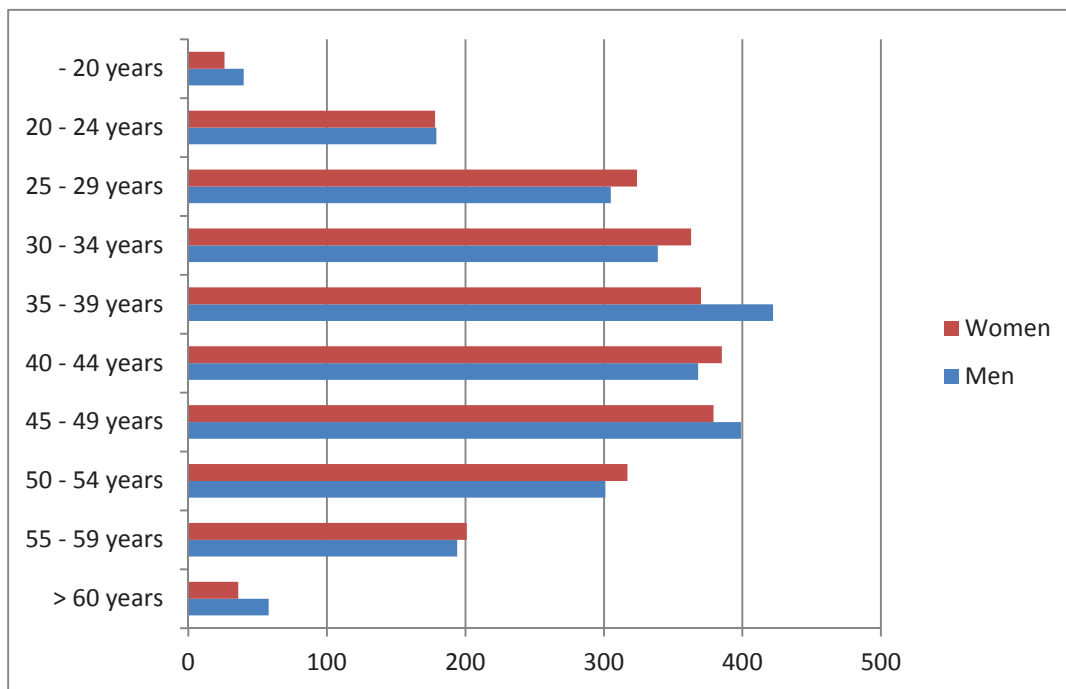
728 temporary employees



GROUP TOTAL	5738
Men	2868
Women	2870

Men represent 49.98% of the total workforce, and women 50.02%.

Workforce gender distribution (excluding temporary workers) at September 30, 2016

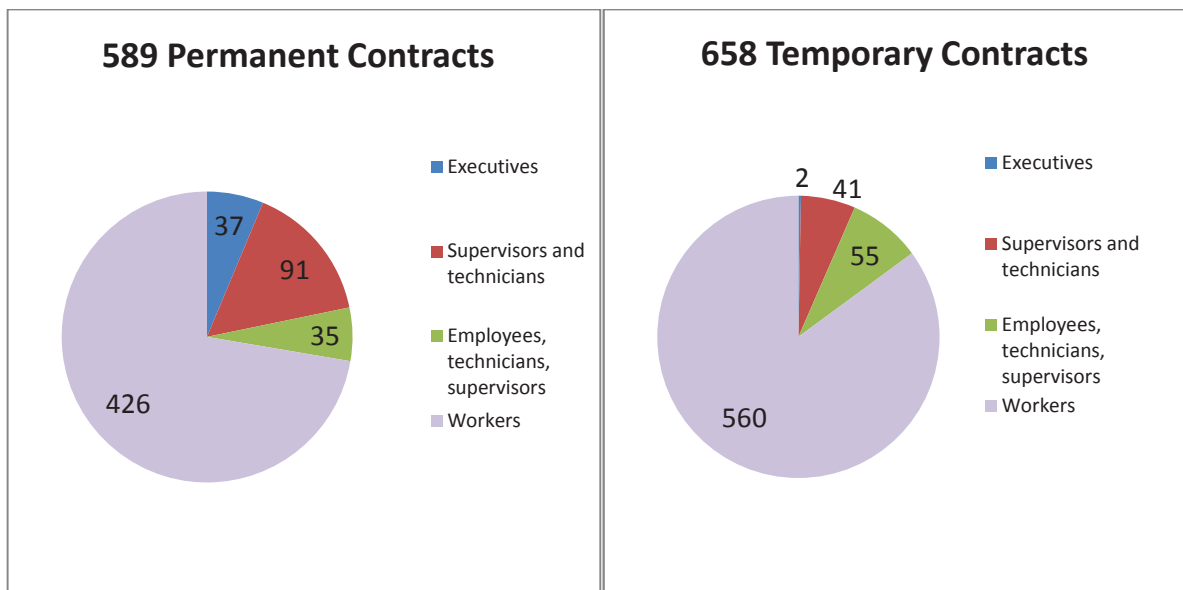


Average workforce by socioprofessional category (excluding temporary workers) as of September 30, 2016

Employees	30/09/2016	30/09/2015
Executives	386	374
Supervisors and technicians	1 014	1 020
Employees, supervisors and technicians	477	475
Workers	3 133	2 944
Total	5 010	4 813
Temporary	728	548
Total	5 738	5 361

Over the financial year ended September 30, 2016, the Group employed an average of 5,738 people (including temporary workers). Engineers and executives represent nearly 25% of the recorded workforce. The temporary workforce represents 12.68% of the total workforce.

Hires



During the 2015-2016 financial year, PLASTIVALOIRE recruited 589 people under permanent contracts. Over 21% of these hires were engineers and executives.

On September 30, 2016, 658 people had been hired under temporary contracts, including 635 for our foreign sites, where the Group favours job stability by hiring locally for long-term contracts (4 years).

Departures

	Departures
Layoffs	288
<i>Redundancies</i>	4
Other departures	676

Compensation

The total payroll (including employer contributions) at September 30, 2016 was 144,057 thousand euros; at September 30, 2015, it totalled 132,067 thousand euros.

It should be noted that the total payroll increased by 9.08% over the financial year ended September 30, 2016.

The salaries paid were over the minimum incomes both in France and at our foreign sites.

In addition, an amount dedicated to the management of community service projects was paid by PLASTIVALOIRE to the various Employee Representative Committees, representing approximately 0.45% of the total payroll.

Note 2. Organization of working time

Global working time

	France	Outside France
Executives	213 days/year	40-48h/week
Employees, technicians, supervisory management	35h/week	40-48h/week
Excluding contract staff	38h/week	40-48h/week
Workers	35h/week	40-48h/week

All of the French companies have entered into majority agreements with the trade unions with regard to the organization of working time.

Staff distribution by work schedule

Staff distribution by work schedule (in %)	30.09.2016	30.09.2015
Daily schedule	26 %	27%
2 x 8 schedule	31%	34%
3 x 8 schedule	38%	34%
Weekend schedule	1%	1%
Night workers	4%	4%

The production staff works in 2x8, 3x8, weekend and night teams in order to optimize the facilities' operating time.

Absenteeism

The absenteeism rate includes the following types of absences:

- illnesses,
- workplace accidents,
- commuting accidents,
- occupational illnesses,

The percentage of the number of hours of absence out of the number of possible working hours is 4.77%.

For France, this ratio is 5.11%, or 165,987 hours.

Action plans have been implemented within the companies in order to reduce the number of hours of absence: improvement of working conditions, risk prevention training, interviews following return from sick leave.

Note 3. Labour relations

Organisation of labour relations

Monthly meetings are held with both the Employee Representative Committee and the Employee Coordinators, as well as quarterly meetings with the CHSCT and two half-yearly meetings with the Central Employee Representative Committee.

Mandatory Annual Negotiations are conducted with the representative labour unions.

Overview of collective agreements

We have entered into various agreements: reduction of working time, company savings plan, senior employment, generational employment, gender equality (renewed in May 2015).

Note 4. Health and safety

Hygiene and safety conditions

Committed to ensuring the quality of work and the working environment, PLASTIVALOIRE has implemented preventive and training measures that benefit all its staff, which are regularly taken into account in the training plan in collaboration with the CHSCTs in France.

Thus, over 3,098 hours of "movements and posture" training have been given, accompanied by workstation improvements (during the 2014-2015 and 2015-2016 financial years - PVL's perimeter before the acquisition of the Bourbon Group).

The occupational risk identification and prevention plan has been implemented in all of the Group's facilities. During each meeting with the members of the CHSCT, the following topics are always covered: accidents that took place during the quarter, evaluation of occupational risks (state of progress of the stations requiring improvement), exposure to occupational risks.

In addition, a Group HSE Technician position was created in 2015 to oversee the safety of each site.

Overview of agreements signed

Action plans concerning the prevention of occupational difficulties have been implemented, with regard to:

- physical difficulties (unnatural postures, mechanical vibrations),
- certain work schedules (night, alternating shifts, pace of repetitive work).

Workplace accidents

PLASTIVALOIRE uses two ratios to measure the effectiveness of the measures implemented: frequency (the number of accidents leading to time off work per million hours worked) and seriousness (number of days lost per thousand hours worked).

The data for the financial year ended 30/09/2016 is as follows:

	France	Outside France	Group
Frequency Rate	29,63	25,08	26,87
Severity Rate	0,77	0,46	0,58

It should be noted that the Group has never suffered a work-related fatality.

Professional illnesses

The data for the financial year ended 30/09/2016 is as follows:

	France	Outside France	Group
Frequency Rate	15,24	9,24	12,09
Severity Rate	1,21	0,18	0,67

Number of occupational illnesses recorded for 2015/2016: 36 for the French sites and 24 for the sites outside France.

Note 5. **Training**

Policies implemented

The priority focuses for training are: the prevention of occupational risks, the strengthening and adaptation of technical and technological skills in relation to changes to the Group and trades, strengthening and personalized guidance at the workstation, knowledge transfer, good Quality and Management practices, improvement of language skills.

Hours of training

	30.09.2016	30.09.2015
Number of employees trained	2 348	2 212
Number of training hours administered	30 483	31 967

With regard to employee integration and the development of multi-competency, we conduct training campaigns each year for all of the occupational categories, with high involvement of the technical departments.

Note 6. **Equal treatment**

Professional gender equality

In accordance with the Law of 9 May 2001, PLASTIVALOIRE endeavours to promote gender equality, in comparable situations, with regard to career development, access to training, salaries and positioning within the company.

With regard to the conditions for hiring, PLASTIVALOIRE applies the same objective selection criteria to all candidates of both genders, ensuring that selection is based on the suitability of the candidate's profile and the characteristics required by the position.

The same applies for equal pay: career paths are determined on the basis of employee qualifications in relation to professional requirements.

A company-wide agreement on professional gender equality within the company was signed in December 2011 and was renewed in 2015 for another 3 years. The PLASTIVALOIRE Group's code of ethics, in force since 2009, establishes equal treatment as one of the fundamental values of the PLASTIVALOIRE Group.

Disabled workers

104 disabled workers work in the Group's French establishments. In addition, numerous supply, sub-contracting and service contracts are in place with sheltered workshops or employment rehabilitation centres (CAT).

Combatting discrimination

Since 2009, a code of ethics has codified the Group's commitment to fighting all forms of discrimination. In addition, the PVL Group has strengthened its commitment by signing company agreements relating to senior employment, the Generational Contract for the professional integration of young people and workplace gender equality.

Note 7. **Promotion and fundamental respect for labour organisation**

Respect of freedom of association and the right to collective bargaining

The Staff Representative Bodies (IRP) and bargaining organisations are freely formed and fully exercise their functions within the PVL Group in application of the legal and contractual provisions in the form of regular meetings and negotiated and signed agreements.

Elimination of discrimination with regard to employment and occupation

Each year, a three-year report on professional equality and access to employment and training is presented and discussed with the social partners. These reports and records are submitted to DIRECCTE.

Elimination of forced or compulsory labour / abolition of child labour

The PLASTIVALOIRE Group is little affected by these risks due to its minimal presence in weakly governed countries. During the financial year, our company TPS was audited by two of its main customers, which concluded that TPS is compliant with child labour regulations.

In addition, our code of ethics and proven commitments to combatting all forms of discrimination support the strict application of the labour regulations in force on the Group's sites.

II ENVIRONMENTAL IMPACT OF THE GROUP'S ACTIVITIES

In the context of transparency and the fight against climate change, particularly in the automotive sector, the PLASTIVALOIRE Group is committed to a sustainable development strategy. Thus, thanks to our Innovation department and our testing centres, the design and development of lighter, cleaner products helps us improve our activities' impact on the environment and biodiversity.

Data analysis methodology

The PLASTIVALOIRE Group presents its main environmental results in a centralized report. The corporate social responsibility indicators are separately collected from each local taxpayer within one month following the end of the financial year. This data is the subject of consistency checks during the central consolidation stage, in compliance with regulatory requirements and predefined environmental indicators allowing their performance to be managed.

The reporting scope includes 26 industrial sites. The BAP Bursa site in Turkey has been added since the previous financial year. All of the quantitative indicators have been fully consolidated for the perimeter

As a result, with the exception of the site being started up in Mexico, PLASTIVALOIRE Mexico, the reporting perimeter for the environmental data is the same as for financial consolidation, with the same integration rules for subsidiaries (with a stake $\geq 50\%$).

To ensure that the data can be compared with the two previous financial years, our figures are based on a frequency equivalent to one year, and determined for identical perimeters. However, the water and gas consumption, based on the consumption billed, can be calculated for a period offset from the financial year analysed.

The environmental data given in this chapter is intended to fulfil the requirements of Article L. 225-102-1 of the Commercial Code, as worded in L. 2010-788 of 12 July 2010, and in implementing degree 2012-557 of 24 April 2012, as well as the recommendations of the *Global Reporting Initiative (GRI)*.

Note 1. General environmental policy

The PLASTIVALOIRE Group is committed to encouraging harmonious economic and social development that preserves the environment. This requirement is essential to the corporate culture shared by all our employees. These commitments are formalized in an environmental protocol.

Since 2015, the integration of the HSE (Hygiene, Safety and Environment) process into the Group's strategy, with the recruitment at the headquarters of a person responsible for this function, has enabled us to raise awareness of good environmental practices at all of our manufacturing sites, and more specifically of waste management. We would like to eventually involve all of our stakeholders in this process.

In addition, we take part in the "Best Practices in Energy Efficiency - BPEE" commission within the Groupement Plasturgie Automobile for the purpose of discussing and benchmarking these best practices for energy management.

In accordance with this policy, our production sites have implemented Environmental Management Systems based on the ISO 14001 international standard. This certification enables us to respect our commitment to reducing our environmental impact and improving health and safety conditions for our employees. As of September 30, 2016, six foreign sites were ISO 14001 certified, located in Portugal, England, Romania, two in Slovakia, and now one in Turkey.

The involvement of all our stakeholders in the implementation of ISO 14001 management systems by the PLASTIVALOIRE Group's foreign sites has been accompanied by training initiatives on the management of risks and environmental impacts.

The Group's environmental performance is also evaluated by the corporate social responsibility platform EcoVadis, which produces a rating for the company's societal responsibility. This rating falls within the framework of the ISO 26000 certification process, with the aim of raising the Group's awareness of the impacts of its decisions and activities on sustainable development and the environment. In this regard, we have observed an improvement compared to the previous year.

Finally, there is internal monitoring within the Group, which verifies that the composition of the components and materials used complies with current regulations, such as the EU REACH regulations (Registration, Evaluation and Authorization of Chemicals). This function is part of the Group's Quality department and is overseen by its network, with correspondents in various Group departments (Development, Procurement, Factories). In PLASTIVALOIRE's environmental policy, this Group Quality department plays an important role.

New employees joining the Group are also given training, which can be more or less detailed depending on the position. This training covers environmental procedures and compliance as well as waste and environmental risk management.

PLASTIVALOIRE remains attentive to ecology and favours modern production equipment that is clean and energy-saving. As a result, the Group continues to invest in new innovations, such as the replacement of a new paint line with recirculation, which saves energy compared to a standard painting booth. Similarly, certain sites have pursued a renewal strategy, with the outfitting of new electrical forklifts and the acquisition of a 100% electrical press with latest-generation insulation, which consumes less energy and is also more efficient.

The environmental provisions on September 30, 2016 for the disassembly, removal and refurbishment of one of our sites totalled two hundred thousand euros.

Note 2. **Prevention of pollution and waste management**

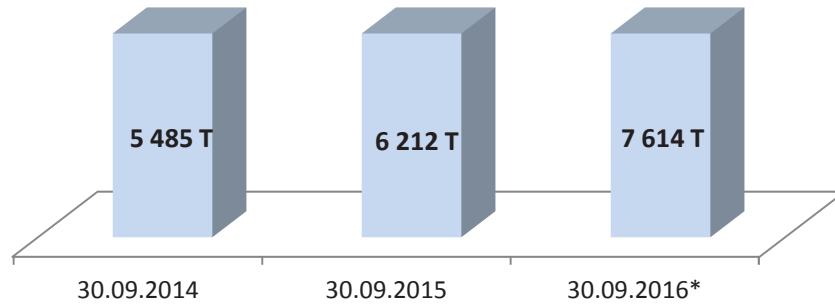
Airborne Volatile Organic Compound (VOC) emissions

As of September 30, 2016, the ISO 14001 certified sites monitored airborne emissions of volatile organic compounds (VOCs). The PLASTIVALOIRE Group intends to continue its efforts to reduce VOC emissions, which are primarily linked to the consumption of chemicals such as solvents and paint. Similarly, certain sites are attempting to use less-harmful products when permitted by the automotive manufacturers' requirements.

However, excluding VOC emissions, other emissions such as sulphur dioxide are not monitored, since the combustion facilities primarily use natural gas or electricity, which do not produce sulphur dioxide during combustion.

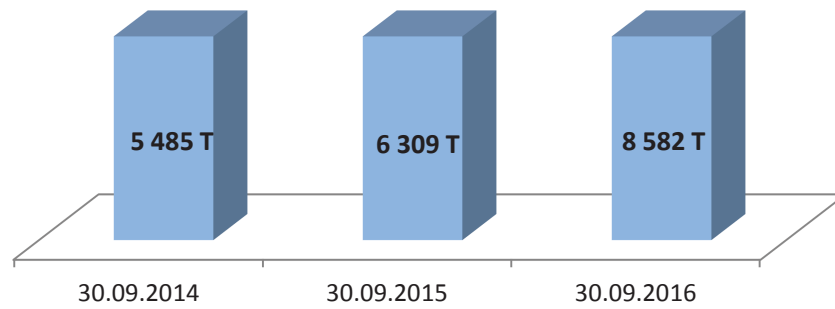
Total mass of waste by type

Total quantity of waste generated on a like-for-like basis (in T)



* excluding Karl Hess and BAP Bursa

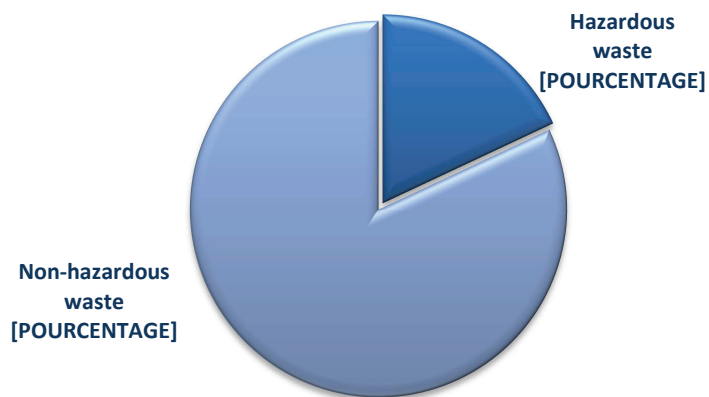
Total quantity of waste generated (in T)



For 2015-2016, following an in-depth study made possible by the involvement of a person responsible for waste management, we are able to refine our analysis and report a total of 8,582 tonnes of waste generated. The growth of this indicator is primarily explained by the addition of the Karl Hess production site over twelve months, as well as the BAP Bursa site, and the growth in the operating activities of the Group's other factories.

Of the total amount of waste generated, 82% was non-hazardous waste and 43% was recycled or turned into electricity.

Breakdown of total recycled waste



Finally, for many years now, a large portion of the by-products has been directly reused internally as raw materials, with immediate recycling during the moulding cycle when the product specifications permit, or through the resale of by-products to specialized companies. This policy greatly reduces the amount of waste generated and contributes to the development of a circular economy. In addition, the Group is highly attentive to the reuse of cardboard packaging in the production cycle and uses sustainable packaging.

In order to ensure the reliability of the management and monitoring of the waste generated, the Group has implemented an internal procedure explaining all of the tracking indicators. On the basis of concrete cases, this procedure provides an overview of the waste generated, classified as hazardous or non-hazardous.

Due to their harmfulness and their use in the chroming and zamak processes, the PLASTIVALOIRE Group also monitors, on one of its French sites, the consumption of heavy metals (lead, mercury, chromium, cadmium), chlorinated solvents and substances classified as carcinogenic, mutagenic or reprotoxic (CMR) by current European regulations.

The Group's heavy metal consumption totals 2,776 tonnes, which represents a 5% decrease, in relation to the turnover for the chroming activity, from the previous financial year. This activity remains compliant with EU regulations. Within this figure, chrome remains stable with 139 tonnes consumed, while the rest, mainly composed of zamak, is solely responsible for this decrease.

Total number and volume of significant accidental spills

No significant accidental spills occurred during the 2015-2016 financial year on the Group's sites.

PLASTIVALOIRE's activities do not use processes that are especially noisy or generate odours. Certain rooftop air extraction units may generate disturbances, which are nevertheless mild. For many years now, the Group has worked to reduce noise and odours in its warehouses in order to improve its employees' working conditions, namely through the installation of extractor hoods.

Combatting food waste

Not all of the PLASTIVALOIRE Group's production sites have collective dining facilities. Where they do exist, they are relatively small. As such, no action plan has been implemented to combat food waste. The Group is nevertheless very attentive to this matter.

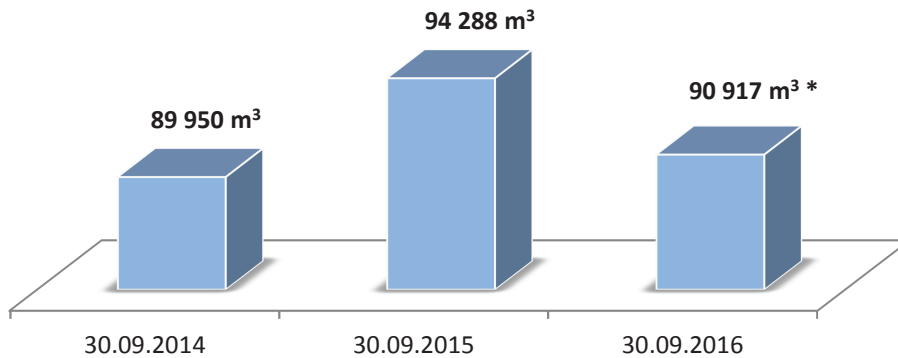
Note 3. Sustainable use of resources

Total volume of water used, by source

Excluding the Portugal site, all of the PLASTIVALOIRE Group's sites exclusively use the city water networks, which excludes all other sources such as surface water and groundwater. Our site in Portugal, on the other hand, sources half its water from the city water network, and the other half from a well.

The water consumption has been greatly reduced compared to the previous year, and totals 90,917 m³. The previous year, which was corrected after the fact following a significant change to one of our manufacturing sites, recorded 94,288 m³, rather than the 88,792 m³ that was originally presented. This figure confirms the water savings policy practiced by all of the Group's sites, which involves an ongoing search for water leaks, the moderation of water consumption for the cooling of the production lines, and increased control over the new processes used.

Change in water consumption (in m³)



*excluding Karl Hess and BAP Bursa: 2015: 92,238 m³ - 2016 - 80,562 m³

Water emissions

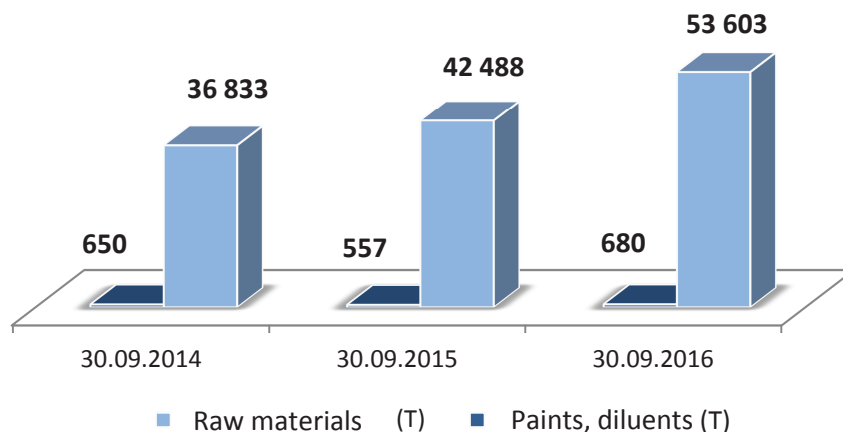
Generally speaking, the group's activities do not generate industrial effluents with high pollutant load. In addition, our sites meet the requirements of local regulations and, when required, measure the level of pollution in their effluents and/or are equipped with wastewater treatment facilities for water discharged into the environment or the public network.

Materials consumed by weight

As of September 30, 2016, the production process required the use of 53,603 tonnes of raw materials (excluding internally-recycled materials) and 680 tonnes of paint and thinners. These two indicators have increased, but are stable in comparison to the product turnover.

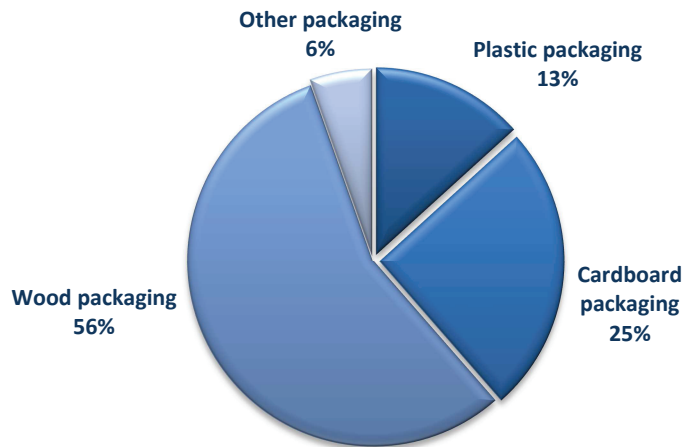
The Group closely monitors its paint and thinner usage. It is mindful of reducing the environmental impact of the sludge produced by this paint: specialized companies appointed by the Group are responsible for processing this waste. In addition, the Group is committed to developing new processes to reduce the use of these products.

Breakdown of raw materials consumption (in T)



The packaging is designed to facilitate the transportation, storage, protection and advertising of the products. To fulfil these functions, the PLASTIVALOIRE Group uses packaging from three different families: cardboard, wood and plastic.

Breakdown of packaging materials consumption (%)



In addition, given the environmental factors and the company's desire to set itself apart from the competition, the PLASTIVALOIRE Group has a growing interest in the use of raw materials sourced from agriculture (hemp, linen) or forestry, as well as lighter materials. Thus, the Group recently patented a new range of lightened materials that offer the same mechanical resistance with a weight reduction of 20 - 30%. Considered a sustainable activity, bioplastics production is less reliant on fossil fuels and also produces less greenhouse gas during biodegradation. Similarly, it significantly reduces the discharge of hazardous waste generated by petroleum-based plastics, which stays solid for hundreds of years.

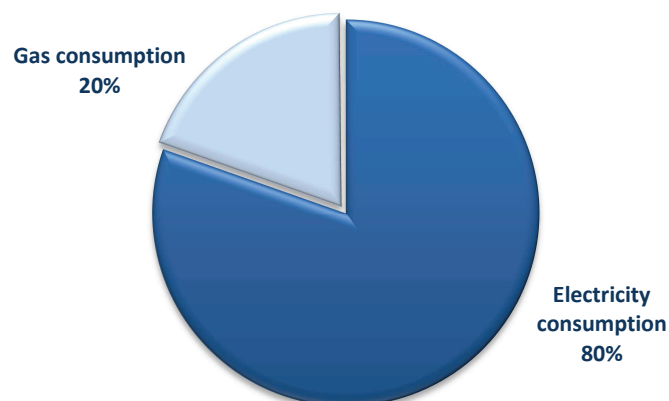
Direct and indirect energy consumption

Change in energy consumption

<i>In MWh</i>	30.09.2014	30.09.2015	30.09.2016
Electricity	121 960	130 700	154 635
Gas	41 141	37 153	37 444
Oil	61	54	42

Due to relatively mild weather and solutions that require less energy, the Group consumes less energy for heating. This last financial year continues the previous years' trend, reporting a decrease within a constant perimeter.

Breakdown of energy consumption



In 2016, the PLASTIVALOIRE Group essentially consumed two kinds of energy: electricity and natural gas, domestic fuel, including oil consumption to power the sprinklers, which represents only a small part of total consumption.

In addition, the Group pays special attention to soil conservation. As such, it requires hazardous products to be stored in containment; raw materials and finished products are never stored directly on the ground, but rather on impervious surfaces.

Note 4. **Climate change**

Total direct or indirect greenhouse gas emissions by weight

Since 2012, the PLASTIVALOIRE Group has analysed its carbon footprint. An assessment of the direct and indirect greenhouse gas (GHG) emissions generated by its activities is taken into account, based on the ADEME carbon report (version 7.1).

Direct GHG emissions generated by natural gas, liquefied petroleum gas and oil totalled approximately 10 thousand tonnes of CO2 equivalent, stable compared to the previous year. Indirect GHG emissions were exclusively connected to electricity consumption, generating 41 thousand tonnes of CO2 equivalent. The increase by 10 thousand tonnes of CO2 equivalent from the previous year is explained by the joining of BAP Bursa and the Group's significant internal growth in countries such as Poland and Germany.

The PLASTIVALOIRE Group strives to reduce its greenhouse gas emissions, whether on its production sites, as part of its logistics organization or in developing its products. This involves optimizing freight transport and other projects initiated on manufacturing sites to improve their energy performance. In keeping with the previous year, we are still studying the replacement of fluorescent lighting with LED lighting, which is more powerful and long-lasting at the same power consumption level, and how to improve temperature control in the workshops and offices, and a policy of replacing refrigeration units with more efficient "free cooling" systems.

The Group is not present in areas that have experienced exceptional natural events. In addition, no sites are located in flood-prone areas. The topic of "adapting to the consequences of climate change" is therefore not relevant for the PLASTIVALOIRE Group.

Note 5. **Greenhouse gas emissions generated by the company's value chain**

The PLASTIVALOIRE Group is committed to maintaining sustainable trade relationships with its main suppliers and subcontractors with the aim of developing advantages such as the consideration of social and environmental issues. These relationships involve mutual standards which are ensured by a supplier quality audit process.

Our main suppliers, including Covestro, BIA Group, Lanxess GmbH, SABIC PP, SABIC IP, Resinex, Nyrstar, Styrolution, Biesterfeld and ExxonMobil, represent one quarter of our purchases of raw materials. Some of them have implemented action plans to reduce their GHG emissions.

In addition, the PLASTIVALOIRE Group is working to integrate post-consumer recycled materials and noble materials through the recycling of our manufacturers' production waste. Our Innovation department also assesses and proposes, during new consultations, the possibility of using new natural fibre materials instead of mineral fillers such as talc. By means of close relationships within our industry, we are implementing measures to better manage and reduce the impact of our activities on various environmental factors.

Finally, with regard to our main customers, Peugeot Citroën SA, Renault, Faurecia, Toyota, Audi and Valeo, who represent over 55% of our consolidated turnover, they also ensure compliance, make use of the expertise of independent external auditors and produce reports within the same framework as the suppliers, with the integration of action plans to reduce greenhouse gas emissions.

Note 6. **Protection of biodiversity**

Location of land owned (GRI EN11)

All of the land used by the PLASTIVALOIRE Group is located in developed urban or industrial areas. As a result, the activities conducted pose no risk to ecological processes.

III Information on societal commitments to sustainable development

Note 1. Territorial, economic and social impact of the company's activities

- **with regard to employment and regional development**

Employment:

The PLASTIVALOIRE Group confirms its commitment to ensuring the stability of employment in France. As part of this approach, the PLASTIVALOIRE Group has made a medium-term commitment (for the next 3 years) to encourage the placement of young people, job desegregation and the valorisation of older workers through an agreement relating to the Generational Contract throughout the French companies.

Abroad, the strategic objective of strengthening and increasing local competency continues to be pursued. The subsidiaries' supervisory staff (middle and top management) is over 85% composed of local executives and managers.

This workforce diversity, ongoing communication and transfers of experience are essential for PVL's development.

With regard to regional development:

PLASTIVALOIRE's aim is to make purchases as close to the manufacturing sites as possible in order to promote the local industrial network, minimize the associated costs and logistic impacts and secure the supply chain.

For non-production purchases, local supply represents nearly 100% of procurement.

- **for local or neighbouring populations**

PLASTIVALOIRE is involved in certain local actions as described in the previous point.

Note 2. Relationships maintained with people or organizations affected by the company's activities

- **Conditions for dialogue with these people or organizations**

PLASTIVALOIRE and its research partners

In the last few years, PLASTIVALOIRE has placed a priority on innovation in order to set itself apart from its main competitors by providing new solutions for its current and future customers. PLASTIVALOIRE's innovation strategy involves relying on young, innovative companies and organizations looking for partners or customers in order to apply the work resulting from their research that has not yet been industrialized in mass manufacturing conditions. As such, PLASTIVALOIRE approached the Centre d'Énergie Atomique (CEA) du Ripault, dedicated to energy storage, in 2013, to apply the knowledge developed by the CEA to the manufacture of bipolar plates to be used in fuel cells.

In order to expand its network and scientific partners, PLASTIVALOIRE has also developed relationships with the following organizations:

- CETIM (Technical Centre for Mechanical Industries)
- PEP (Pôle Européen de Plasturgie)
- ISPA (Institut Supérieur de Plasturgie d'Alençon)

- SFIP (Société Française des Ingénieurs des Plastiques)

In its R&D developments, PLASTIVALOIRE has prioritized lightening solutions to meet its main customers' high demand.

As such, PLASTIVALOIRE has developed new manufacturing processes and materials, most of them reinforced with fibres (carbon, linen, wood, etc.) or with hollow glass beads, offering lightening possibilities not yet offered on the market.

On September 30, 2016, PLASTIVALOIRE held 44 patents.

PLASTIVALOIRE and its customers

PLASTIVALOIRE supports its automotive manufacturer customers through an active development policy that involves the Group's participation at all stages of the equipment development process and the development of the specifications.

PLASTIVALOIRE develops products for the industrial and automotive markets and generally enters into contracts to supply these products for the models' lifespans.

PLASTIVALOIRE and its industrial or commercial partners

In 2012, PLASTIVALOIRE entered into a new partnership with the company BIA, specializing in the chroming of plastic parts. Under this partnership, the company BIA PLASTIC AND PLATING TECHNOLOGY SLOVAKIA S.R.O was created in Slovakia, of which PLASTIVALOIRE holds 40%. On the basis of this experience, the Group has decided to build a second chroming facility, which is scheduled to start production in the 2nd quarter of 2017.

PLASTIVALOIRE cultivates close relationships with manufacturers operating in the design of complex, costly components, the creation of moulds and the construction of manufacturing lines for chroming or painting, with a focus on:

- Proximity, with the use of local companies
- Standardisation, particularly for beside-the-press tools
- Long-term relationships

PLASTIVALOIRE and the certifying bodies

As part of the Group's policy for compliance with quality standards, particularly the ISO/TS 16949 standard, we maintain ongoing relationships with the certifying bodies.

Namely in the context of the application of the new 2015 version of the ISO 9001 standard, we train all of the company staff with the support of a recognized organization, and will be certified under this new standard in 2017 when our certification is renewed.

With regard to respect for the environment and to qualify for ISO 14001 certification, we rely on local certifying bodies. In 2015, 6 sites obtained ISO 14001 certification.

- **Partnership and sponsoring operations**

Within a regional development framework, PVL has maintained a close partnership for many years with regional plastics processing schools (ISPA Alençon, Lycée Chaptal in Amboise, Lycée de la Baronnerie in Angers) for professional training, internships and traineeships.

This partnership is one of the priority focuses of the Group's strategic workforce planning process, which is being expanded both in France and abroad in order to favour skills transfer and the continuation of the Group's fundamental skills.

Note 3. **Subcontracting and suppliers**

- **Consideration of social and environmental issues in the purchasing policy**

PLASTIVALOIRE aims to build strong relationships with its suppliers for mutual benefit and growth. The Group has put together a panel of preferred suppliers with whom it has entered into long-term partnerships. A good deal of importance is placed on communication and transparency in order to ensure strategic alignment with these partners, namely with a quarterly assessment of our suppliers, overseen by the purchasing department.

Sustainable and responsible purchasing policies are promoted within the Group. PLASTIVALOIRE asks its suppliers and subcontractors to commit to providing reliable products and services, not only with regard to quality, but also by meeting ethical and social criteria such as:

- compliance with laws and regulations;
- combating social exclusion;
- prohibition of child labour;
- respect for the environment;
- promotion of training and education.

With that in mind, PLASTIVALOIRE considers that the principles of social, environmental and economic responsibility are major criteria for the award of contracts to its suppliers and subcontractors.

The Code of Ethics that was implemented in 2003 is integrated into the fundamental principles of supplier relations, in contractual documents, namely in the purchasing conditions, and in the Group's purchasing process (such as the consultation file or the supplier quality audit process).

With regard to subcontracting, PLASTIVALOIRE attempts to involve its partners in its long-term growth, as well as to manage the risks they are exposed to. As a result, suppliers are asked to commit to the responsible purchasing policy by applying the code of ethics in their own organizations and throughout their logistics chains. Assessment criteria have been developed to ensure that subcontractors are selected who offer working conditions meeting our requirements. Yearly visits are then conducted to check that these criteria continue to be met.

Starting on January 1st, 2017, self-assessment questionnaires on the suppliers' and subcontractors' social, economic and environmental responsibility will be developed, becoming a prerequisite to join the Group's supplier and subcontractor base.

Note 4. **Fair commercial practices**

- **Actions taken to prevent corruption**

Changes to the Group, new customer expectations and new corporate social responsibility and sustainable development focuses led PLASTIVALOIRE to develop, in 2016, an anti-corruption code which sets out the essential ethical principles to be followed in this respect in order to strengthen the Group's culture and guide the management and employees in their day-to-day management of teams, customers, suppliers, subcontractors, etc.

The anti-corruption code supplements the code of ethics, and these two documents make up the code of conduct that must be followed by the Group's companies and collaborators. First and foremost, this code is intended to increase the accountability and involvement of the Group's staff, as it includes an alert procedure to be followed if the code is violated.

Starting on January 1st, 2017, the anti-corruption code will be included in all of the mandatory consultation documents sent to suppliers and subcontractors. It will also be presented to each new employee.

Finally, the Group is a member of an organization that monitors best practices and is recognized by its customers.

- ***Measures taken to encourage consumer safety and security***

PLASTIVALOIRE, through its Technical Department, devotes part of its activities to the research and development of new processes and new materials, allowing it to remain on the cutting edge of the solutions provided to its customers, with the ongoing aim of improving safety, quality and the efficient use of energy and raw materials.

Note 5. **Other measures taken in favour of human rights**

The code of ethics and the anti-corruption code contain a set of human rights rules. PLASTIVALOIRE also fulfils the criteria of the International Labour Organization.

IV REPORT BY THE STATUTORY AUDITOR, THE DESIGNATED INDEPENDENT THIRD-PARTY BODY, ON THE SOCIAL, ENVIRONMENTAL AND CORPORATE INFORMATION PRESENTED IN THE MANAGEMENT REPORT

Plastiques du Val de Loire, financial year ended September 30, 2016

Dear shareholders,

In our capacity as the statutory auditors of the company PLASTIQUES DU VAL DE LOIRE and the designated independent third-party body, accredited by COFRAC under number 3-1080¹, we present to you our report on the consolidated social, environmental and societal information for the financial year ended ..., presented in the management report (hereafter the "CSR Information"), in accordance with Article L.225-102-1 of the Commercial Code.

The company's responsibilities

It is the Board of Directors' responsibility to draw up a management report containing the CSR information stipulated in Article R.225-105-1 of the Commercial Code, prepared in accordance with the standard(s) used by the company (hereafter the "Standards"), which are available upon request at the company's headquarters, and of which an overview is presented in the management report.

Independence and quality control

Our independence is defined by the regulations, the code of ethics of the profession and the provisions of Article L.822-11-3 of the Commercial Code. In addition, we have implemented a quality control system which involves documented policies and procedures intended to ensure compliance with the code of ethics and the applicable laws and regulations.

The statutory auditor's responsibilities

It is our responsibility, based on our audit, to:

- certify that the required CSR information is presented in the management report or, in the event of an omission, that an explanation is given pursuant to Article R.225-105 paragraph 3 of the Commercial Code (Certification of provision of the CSR information);
- draw a conclusion expressing a moderate assurance that the CSR Information, taken as a whole, is presented in a sincere manner, with regard to its significant aspects, in accordance with the Standards (Reasoned opinion regarding the sincerity of the CSR Information).

Our work has leveraged the skills of 4 people and was conducted between December 2016 and January 2017, with a total duration of approximately 2 weeks. To assist us in our work, we have consulted with our CSR experts.

¹ of which the scope of accreditation is presented on the website www.cofrac.fr

We have conducted the work described below in accordance with the Decree of 13 May 2013 defining the terms according to which the independent third-party body may fulfil its duties and, with regard to the reasoned opinion, according to international standard ISAE 3000² and the professional standards of the Compagnie Nationale des Commissaires aux Comptes concerning this operation.

1. Certification of provision of the CSR Information

Nature and scope of work

On the basis of interviews with the managers of the departments affected, we have taken stock of the sustainable development policies in light of the social and environmental impact of the company's activities and its societal commitments and any resulting actions or programs.

We have compared the CSR Information presented in the management report with the list provided in Article R.225-105-1 of the Commercial Code.

In the event that some consolidated information is missing, we have verified that explanations were provided in accordance with Article R.225-105 paragraph 3 of the Commercial Code.

We have verified that the CSR Information covers the consolidated perimeter, which includes the company and its subsidiaries as defined in Article L.233-1 and the companies it controls as defined in Article L.233-3 of the Commercial Code, with the limitations specified in the introductions to sections 1 and 2 of Chapter 2 of the management report, entitled "Sustainable Development".

Conclusion

On the basis of this work and given the limitations mentioned above, we certify the presence in the management report of the required CSR Information.

2. Reasoned opinion on the sincerity of the CSR Information

Nature and scope of work

We have conducted interviews with the persons responsible for preparing the CSR Information in the departments tasked with the information collection process and, if applicable, with the internal control and risk management procedures, in order to:

- assess the appropriateness of the Standard in light of its relevance, completeness, reliability, neutrality and comprehensibility, taking the best practices in the sector into consideration, if applicable;
- verify the existence of a collection, compilation, processing and control process ensuring the completeness and consistency of the CSR Information and review the internal control and risk management procedures with regard to the preparation of the CSR Information.

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

We have determined the nature and scope of our tests and audits on the basis of the nature and importance of the CSR Information in light of the company's characteristics, the social and environmental implications of its activities, its sustainable development guidelines and the best practices of the sector.

For the CSR Information we deemed most important³:

- on the level of the parent company, we consulted the documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions), conducted analyses on the quantitative information and verified, on a test basis, the calculations and the consolidation of data, and verified its consistency and congruence with the other information given in the management report;
- using a representative sample of subsidiaries⁴ that we selected on the basis of their activities, their levels of contribution to the consolidated indicators, their locations and a risk analysis, we conducted interviews to verify the proper application of the procedures and performed detailed tests on the basis of samples, which involved verifying the calculations made and comparing the data to the supporting documentation. The sample selected represents 25% of the workforce, considered to be a representative size, for the social component, and between 23 and 36% of the environmental data, considered to be representative sizes, for the environmental component.

For the rest of the consolidated CSR Information, we assessed its consistency on the basis of our knowledge of the company.

Finally, we assessed the relevance of the explanations given, where applicable, for the total or partial lack of certain information, taking professional best practices into account where applicable.

We believe that the sampling methods and sample sizes we have selected, exercising our professional judgment, enable us to form a moderately certain conclusion; a higher level of assurance would require more extensive verification. Due to the use of sampling techniques and other limitations inherent to the functioning of any internal information and control system, the risk of not detecting a significant irregularity in the CSR Information cannot be completely eliminated.

³ Total workforce; hires and departures (including layoffs); number of workplace accidents; environmental measures; total mass of waste; water consumption; consumption of raw materials; energy consumption (electricity and gas); GHG emissions (scopes 1, 2 and 3); qualitative information regarding the inclusion of social and environmental considerations in the purchasing policy.

⁴ BAP Saint Marcellin; FPG; KARL HESS; BAP Nitra; BAP Marinha Grande (environmental data only).

Conclusion

On the basis of this work, we have not observed any significant irregularities that would call into question whether the CSR Information, taken as a whole, is presented in a sincere manner in accordance with the Standards.

Paris, January 31, 2017

One of the Statutory Auditors

- **Grant Thornton**
- **The French member of Grant Thornton International**
-
-
-
-
- Gilles Hengoat
Partner

3 CORPORATE GOVERNANCE



I REPORT OF THE PRESIDENT OF THE BOARD OF DIRECTORS

(Article L 225-37 of the Commercial Code)

Dear shareholders,

The law requires the President of the Board of Directors of a publicly traded Public Limited Company to present, in a report presented together with the Board's report, on:

- The composition, gender balance, conditions surrounding the preparation and organization of the Board's work, any limitations on the powers of the Managing Director, referencing a corporate governance code, the modalities and rules developed to determine the compensation and benefits of any kind offered to the executive officers and the specific procedures relating to the participation of shareholders in the General Meeting;
- The internal control and risk management procedures put in place by the company.

This report was submitted for the approval of the Board of Directors and provided to the statutory auditors.

II CORPORATE GOVERNANCE

(Article L 225-37 of the Commercial Code)

The company does not have a trading code, namely the AFEP-MEDEF corporate governance code, although many of the principles it establishes are followed, beyond the legal requirements which the company of course fulfils.

This choice was made based on the composition of the share capital and the company's internal organization.

Note 1. The Board of Directors

A – Composition of the Board of Directors

The Board of Directors is composed of a minimum of 3 and a maximum of 18 members, all natural persons elected by the General Meeting. Throughout their mandates, the Directors must, under the company rules and regulations, hold at least 1 share in Plastiques du Val de Loire.

Directors serve renewable terms of six years.

The number of Directors over the age of 80 cannot be greater than one third of the total number of Directors.

As of September 30, 2016, the Board of Directors was composed of 7 Directors.

Mr Patrick FINDELING, the President and Managing Director, does not perform any other major professional duties.

Ms. Vanessa BELINGUIER, the Deputy Managing Director responsible for administrative and financial affairs, does not perform any other major professional duties.

The Directors in office are as follows:

Full names of the members of the Board of Directors	Number of shares held in the capital as of January 15, 2017		
	Full	Bare	Usufruct
Patrick FINDELING, President and Managing Director	1 032 405	-	18 000
Marie France FINDELING, Director	19 877	-	-
Vanessa BELINGUIER, Director	104 875	6 000	-
Viviane FINDELING, Director	72 950	-	-
John FINDELING, Director	106 065	6 000	-
Christian CHOLLET, Director	120	-	-
Claude BELINGUIER, Director	5	-	-
TOTAL	1 336 297	12 000	18 000

Two of the Board members, Mr. Christian CHOLLET and Mr. Claude BELINGUIER, are considered independent in light of the criteria prescribed by the AFEP MEDEF Code.

All of the Directors' terms were renewed by the General Meeting of March 21, 2014 for a term of six years, which will expire at the General Meeting called to approve the financial statements for the year ending September 30, 2019.

Mr. Patrick FINDELING's term as a Director, the President of the Board of Directors and the Managing Director will also expire at the General Meeting called to approve the financial statements for the year ending September 30, 2019.

PLASTIQUES DU VAL DE LOIRE operates as a Public Limited Company (Société Anonyme) with a Board of Directors.

The functions of the President and the Managing Director are not split. They have been entrusted to Mr. Patrick FINDELING. He also performs the mandates described in paragraph B below.

B – List of the mandates and functions performed by the executive officers on September 30, 2016



President of the Board of Directors and
Managing Director
Mr. Patrick FINDELING
1,032,405 shares in Plastiques du Val de Loire

• **French companies**

SA PLASTIQUES DU VA DE LOIRE	President and Managing Director and Director
SAS AMIENS INJECTION	President
SAS SABLE INJECTION	President
SAS OUEST INJECTION	President
SAS ERE PLASTIQUE	President
SAS CREUTZWALD INJECTION	President
SA BOURBON AUTOMOTIVE PLASTICS,	President and Managing Director
SASU BOURBON AUTOMOTIVE PLASTICS HOLDING	President
SAS BOURBON AUTOMOTIVE PLASTICS SAINT	President
SAS BOURBON AUTOMOVITE PLASTICS JURA	President
SAS BOURBON AUTOMOTIVE PLASTICS CHALEZEULE	President
SAS BOURBON AUTOMOTIVE PLASTICS MORTEAU	President
SAS BOURBON AUTOMOTIVE PLASTICS BELLÊME	President
SAS BOURBON AUTOMOTIVE PLASTICS	President
SAS AUTOMOTIVE PLASTICS ROCHEFORT,	President
BANQUE POPULAIRE DU VAL DE FRANCE	Director
S.C.I. M.G.	Manager
S.C.I. J.E.V.	Joint Manager
S.C.I. J.S.	Joint Manager
GROUPEMENT FORESTIER DE LA BASSE FORET.	Manager

• **Foreign companies**

BOURBON AUTOMOTIVE PLASTICS GmbH (Germany)	President
KARL HESS (Germany)	Managing Director
HESS BETEILIGUNGS GmbH (Germany)	Managing Director
OTOSİMA PLASTİK SANAYİ VE TİCARET ANONİM ŞİRKETİ	President
BIA SK (Slovakia)	Member of the Advisory Comitee
ELBROMPLAST (Romania)	President
DUNA INJECTION REAL ESTATE (Hungary)	President
CARDONAPLAST (Spain)	President
TUNISIE PLASTIQUES SYSTEMES (Tunisia)	President
INJECTION PLASTIQUES SYSTEMES (Tunisia)	President
BOURBON AUTOMOTIVE PLASTICS DOLNY KUBIN	President
PLASTIVALOIRE GERMANY GmbH (Germany)	Managing Director of the company under German law
BOURBON AUTOMOTIVE PLASTICS DOLNY NITRA	President
BOURBON AUTOMOTIVE PLASTICS	president
PLASTIVALOIRE MEXICO SA DE CV (Mexico)	Sole Director
PVL SCHENZHEN (China)	Legal Representative

Ms. Vanessa BELINGUIER
104,875 shares in Plastiques du Val de Loire

Corporate mandates:

Deputy Managing Director and Director of SA PLASTIQUES DU VAL DE LOIRE;
Director of SA BOURBON AUTOMOTIVE PLASTICS;
Director of the Turkish company OTOSİMA PLASTİK SANAYİ VE TİCARET ANONİM ŞİRKETİ (BAP BURSA).

Mr. John FINDELING
106,065 shares in Plastiques du Val de Loire

Corporate mandates:

Director of SA PLASTIQUES DU VA DE LOIRE;
Secretary of the Spanish company CARDONAPLAST;
Director of SA BOURBON AUTOMOTIVE PLASTICS;
Vice President of the Turkish company OTOSİMA PLASTİK SANAYİ VE TİCARET ANONİM ŞİRKETİ (BAP BURSA);
Joint manager of S.C.I. J.S.

Ms. Marie-France FINDELING
19,877 shares in Plastiques du Val de Loire

Corporate mandates: Director of SA PLASTIQUES DU VAL DE LOIRE; Joint manager of S.C.I. J.E.V.

Ms. Viviane FINDELING
72,950 shares in Plastiques du Val de Loire

Corporate mandates: Director of SA PLASTIQUES DU VAL DE LOIRE.

Mr. Christian CHOLLET
120 shares in Plastiques du Val de Loire

Corporate mandates: Director of SA PLASTIQUES DU VAL DE LOIRE.

Mr. Claude BELINGUIER
5 shares in Plastiques du Val de Loire

Corporate mandates: Director of SA PLASTIQUES DU VAL DE LOIRE; President of SAS BELINGUIER LIBOURNE.

Note 2. **Organization and functioning of the Board of Directors**

A – Mandate and functions of the Board of Directors

The Board of Directors determines the company's business strategies and oversees their implementation. Subject to the powers expressly granted to the Shareholders' Meetings and within the limits of the company purpose, it handles all matters involving the proper functioning of the company and decides on matters concerning it. It carries out the checks and verifications it deems appropriate.

The Board of Directors is vested with specific powers pursuant to the law and the articles of association. Namely, it:

- determines the mode of exercise of the company's General Management;
- appoints and dismisses the executive directors (Managing Director, Deputy Managing Directors) and determines the compensation and benefits offered to them;
- calls General Shareholders' Meetings on the basis of an agenda it determines;
- approves the corporate financial statements and consolidated financial statements;
- draws up the Management Reports and the reports for the General Shareholders' Meetings;
- approves the Report of the President of the Board of Directors provided for in Article L. 225-37 of the Commercial Code;
- decides on the use of the delegations of authority granted by the General Meeting, such as to increase the share capital, etc.;
- authorizes the regulated agreements (agreements under Articles L. 225-38 et seq. of the Commercial Code);
- authorizes the issuance of sureties, endorsements or guarantees;
- decides on the dates of payment of the dividends and any interim dividends.

B – Board of Directors' bylaws

The Board of Directors has not adopted any bylaws.

C – Notifying the Board of Directors and its members

To enable the members of the Board to properly prepare for the meetings, the President endeavours to provide them with all necessary information or documents beforehand.

As such, the proposed annual financial statements were submitted to the Directors ten days before the Board meeting called to approve them.

When requested by a Board member, the President has provided him or her with the additional information or documents requested whenever possible.

The President of the Board of Directors is responsible for convening the Board and determining the points on the agenda in accordance with legal or regulatory requirements as well as with the duties arising from procedures or limitations on powers in force.

At each meeting of the Board of Directors, a record of attendance is kept and updated.

In accordance with the law and statutory provisions, the Board of Directors' deliberations are recorded in minutes kept and signed in a special register which the President is responsible for updating and signing, after the recording thereof.

D – Gender balance on the Board

As of September 30, 2016, the Board counted 3 women out of the 7 directors in office, a proportion of 42%. This percentage is higher than that recommended by the AFEP-MEDEF Code, which recommends a proportion of at least 40% women starting with the General Meeting called to approve the 2016 financial statements.

Note 3. The Board's activities

The Board of Directors met 12 times between October 1st, 2015 and September 30, 2016.

The members were summoned in writing or by any other means at least eight days in advance. The meetings were held at the company headquarters.

The statutory auditors were summoned to the Board of Directors' meeting to approve the annual and half-yearly financial statements.

The Board devoted most of its work to corporate governance, strategy and its implementation, the monitoring of activities, the examination of the annual financial statements, which it prepared, and of the half-yearly financial statements, as well as the preparation of the General Meeting.

The topics discussed were as follows:

Board meeting dates	Topic discussed
01/10/2015	Changes to the terms of billing for services rendered to BAPDK and KARL HESS
15/12/2015	Increase of the President's compensation
16/12/2015	Preparation of the financial statements
29/01/2016	Definitive closing of the financial statements
11/02/2016	Surety authorization towards the bank LCL related to a loan subscribed by Bourbon Automotive Plastics Holding
02/05/2016	Appointment of Ms. Vanessa BELINGUIER as Deputy Managing Director
03/05/2016	Surety authorization requested by the bank CIC Est related to the loan granted to Bourbon Automotive Plastics
09/05/2016	Surety authorization requested by the Group's supplier Biesterfield
19/05/2016	Increase of the compensation of Mr. John FINDELING, Director
30/05/2016	Warranty authorization to Natixis Factor
23/06/2016	Preparation of the half-year financial statements
30/09/2016	Allocation of exceptional bonuses

Note 4. Organization and functioning of specialized committees

The Board of Directors formed no committees.

The Board of Directors performs the duties of the Audit Committee. Pursuant to Article L 823-20 of the Commercial Code, the company is therefore exempted from the requirement to form a specialized committee. Such an organization would not make a significant contribution to our company, namely with regard to monitoring the preparation of financial information or the efficiency of internal control and risk management systems.

The meetings held by the Board of Directors relating to its duties under the committee are not chaired by the President of the Board of Directors, in accordance with the law, as the latter also performs the duties of General Management.

Note 5. **The company's General Management for the financial year ended September 30, 2016**

By way of introduction, it should be noted that the company has operated as a Public Limited Company with a Board of Directors since March 28, 2008, when it abolished its previous dual system. The Board of Directors is directed by a President.

The General Management of Plastiques du Val de Loire is provided by a President and Managing Director and a Deputy Managing Director.

A – The President and Managing Director

The Board of Directors' meeting of March 21, 2014 decided to renew Mr. Patrick FINDELING's mandate as President and Managing Director.

The President and Managing Director represents the company in its relations with third parties. He has the broadest powers to act in all circumstances in the name of the Company. He exercises these powers within the scope of the corporate purpose and subject to the powers expressly granted by law to the Shareholders' Meetings and the Board of Directors.

B – The Deputy Managing Directors

The Board of Directors' meeting of May 2, 2016, as proposed by Mr. Patrick FINDELING, appointed Ms. Vanessa BELINGUIER as the Deputy Managing Director responsible for administrative and financial affairs.

C – Limitations on the Managing Director's powers

No specific limitations, other than those imposed by the Commercial Code, were placed by the Board of Directors on the Managing Director and Deputy Managing Director's powers.

Note 6. **Statement regarding the situations of the members of the administrative and management bodies**

A – The directors' statements regarding their situations

Mr. Patrick FINDELING is the President of the Board of Directors and the Managing Director of Plastiques du Val de Loire SA. He is compensated for these two functions by this entity.

Ms. Vanessa BELINGUIER is the Deputy Managing Director of the company Plastiques du Val de Loire SA, with which she also has an employment contract as Administrative Director.

B – Absence of convictions or accusations of the executive officers

None of the directors or executive directors (President and Managing Director and Deputy Managing Director) have, over the last five years:

- been convicted of fraud or been subject to any other official public accusation and/or penalty by a regulatory body;
- been barred by a court from serving as a member of an administrative or management body;
- been associated, as an executive officer or director, with a bankruptcy, receivership or liquidation.

C – Familial relationships

There is a familial relationship between some of the directors and/or executive directors of the company, as Mr. Patrick FINDELING is the father of Ms. Vanessa BELINGUIER, Mr. John FINDELING and Mr. Eliot FINDELING, as well as the husband of Ms. Marie-France FINDELING and the brother of Ms. Viviane FINDELING Ms. Vanessa BELINGUIER is the wife of Mr. Claude BELINGUIER.

D – Conflicts of interest

To the company's knowledge, on the day on which this report was drafted, there were no conflicts of interest between the duties of the members of the Board towards the company and their private interests or other duties.

E – Compensation and benefits of the Group's directors

1. The Board members' compensation.

The company paid no director's fees to the members of the Board of Directors during the financial year.

2. Executive officers' compensation

The Board decides upon the executive officers' compensation policy as proposed by any one of the Directors.

It also refers to the AFEP-MEDEF Corporate Governance Code for publicly traded companies.

This policy covers in detail the fixed, variable and special compensation, to which benefits of any nature granted by the company are added.

The variable part of the executive officers' compensation is limited.

It is determined not only on the basis of the work performed, the results obtained, and the responsibility undertaken, but also in light of the practices observed in similar companies and the compensation paid to the company's other directors.

During the financial year, the company paid the following compensation to its executive officers (in €), including amounts paid both under a mandate and pursuant to an employment contract:

Members of the Board of Directors	Fixed compensation	Variable compensation	Benefits in kind	Total
Patrick FINDELING	588 897	62 500	-	651 397
Vanessa BELINGUIER	86 407	19 800	9 719	115 926
John FINDELING	83 060	4 800	485	88 345
Marie-France FINDELING	-	-	-	-
Viviane FINDELING	-	-	-	-
Christian CHOLLET	-	-	-	-
Claude BELINGUIER	-	-	-	-

3. Stock options and bonus share awards

None of these procedures have been implemented within the company.

4. Bonuses, benefits and remuneration granted to the officers in the event of the termination or a change to their positions

No such system has been implemented.

5. Shareholder participation in General Meetings

The conditions for shareholder participation in General Meetings are detailed in Article 15 of the articles of association.

Note 7. Mandates of the statutory auditors

The mandates of the firm GRANT THORNTON, principal statutory auditor, and of the company IGEC, alternate statutory auditor, expire as of the approval by the General Meeting of the financial statements for the financial year ending September 30, 2019

The mandates of the firm ALLIANCE AUDIT EXPERTISE & CONSEIL and of the firm GUYOT-BRANELLEC expire as of the approval by the General Meeting of the financial statements for the financial year ending September 30, 2020.

Note 8. Regulated agreements between a director or shareholder and a Group subsidiary

In accordance with Article L 225-102-1, last paragraph, of the Commercial Code, arising from Order 2014-163 of July 31, 2014, it is specified that as none of the directors or shareholders possessing more than 10% of the voting rights associated with the shares making up the capital of PLASTIQUES DU VAL DE LOIRE, are affected by agreements existing between them and a subsidiary of the company.

Note 9. INTERNAL CONTROL PROCEDURES

The company PLASTIQUES DU VAL DE LOIRE is the parent company of a group composed of 31 subsidiaries and sub-subsidiaries, 15 of which are located in France and 16 abroad. It also has a minority stake in a Slovakian company.

This report presents the organization of the internal control system in place within the Group.

A – The company's and group's objectives for its internal control procedures

The internal control procedures in force in the PLASTIVALOIRE Group are intended to:

- Ensure that the actions taken to manage or execute operations and employee practices are carried out in compliance with the strategies put in place for the company's activities by the governing bodies, applicable laws and regulations, and the company's values, standards and internal regulations,
- And ensure that the accounting, financial and management information provided to the company's governing bodies sincerely reflect the company's activities and position.

One of the aims of the internal control system is to prevent and control the risks arising from the company's activities and the risk of error or fraud, namely in the accounting and financial domains. Like any control system, it cannot completely guarantee that these risks will be fully eliminated, but can provide reasonable assurance that they are controlled.

With this in mind, the objectives are to ensure:

- compliance with the strategies put in place by the governing bodies,
- compliance with laws and regulations,
- the quality of the financial and accounting information,
- the prevention and control of risks affecting the business,
- the safeguarding and protection of assets.

B – Organization of the internal control system

In order to encourage the company's growth, and in a suitable context, PLASTIVALOIRE has opted for centralized organization. This organization is supplemented by operating principles and rules that apply throughout the Group. Delegations of authority are granted to the subsidiaries' managers for most usual operations.

However, the general organization of the internal control system is different between the French and foreign subsidiaries, the latter enjoying greater autonomy for reasons of distance.

French subsidiaries:

For the French subsidiaries, internal control is based on the centralization of the administrative services at the headquarters.

This is less applicable to the new subsidiaries resulting from the stake acquired in the BOURBON Group, which had its own organization which has been revised to increase its resemblance to that historically practiced within the Group.

General administration:

General Management plays an important role in all decisions involving not only the company's strategy, but also the management of all of the French companies in the Group: investment, funding, commercial relationships with customers and suppliers, the payment of supplier invoices, etc.

Administrative and financial management:

This body includes three departments under its direct responsibility, based at the headquarters:

- Accounting department:

Its main objective is to keep the accounts for the parent company and each of the French subsidiaries. The accounting department is also responsible for the invoicing and tracking of customer accounts, the preparation of supplier payments, the monitoring of cash flow, and the preparation of a monthly profit and loss account and annual statements for each of the Group's French companies.

- Payroll department:

This department manages payroll for the French companies' staff.

- Legal department

The legal department ensures compliance with regulations pertaining to corporate law, international business and trade throughout the companies in the Group.

Human resources department:

Centralized at the headquarters, this department is responsible for all functions relating to recruiting, hiring procedures and the termination of employment contracts (resignations and dismissals). It is also in charge of training and the monitoring of worker representation (Employee Coordinators, Employee Representative Committee).

IT department:

Based at the headquarters, this department is responsible for determining the Group's informatics policy and the installation of equipment in the companies composing it. It develops special software.

Purchasing department:

Based at the headquarters, it is essentially responsible for centralizing the raw material purchasing for all of the Group's French companies.

Management control department:

Based at the headquarters, its purpose is to monitor cost prices and perform cost accounting for each subsidiary.

Logistics department:

The logistics department follows the same procedures for all of the sites. However, these sites manage their logistics independently.

Quality department:

Based at the headquarters, it is responsible for determining the Group's general quality policy, implementing and applying quality procedures on each site, and certification.

Each site is equipped with a quality branch in charge of ensuring the proper application of the quality system, overseeing continuous improvement, and customer satisfaction.

The subsidiaries' administrative departments:

Each subsidiary's administrative department is quite small, being essentially composed of a site manager, a quality manager, and a logistics manager. These managers are supported by administrative staff responsible for secretarial duties and communication with the centralized management control and purchasing departments.

Foreign subsidiaries:

These companies are more independent in their organization and internal control.

However, most of them benefit from the constant presence of French expatriates tasked with ensuring that procedures are properly followed, each working within his or her area of expertise.

In addition, members of General Management conduct regular visits.

These subsidiaries produce monthly profit and loss accounts.

All major decisions, particularly those relating to investments, are made by General Management.

Finally, to meet the requirements imposed by the various certifications obtained by the Group and required by its customers, PLASTIVALOIRE is required to implement strict quality, administrative and accounting procedures.

The satisfactory operation of the organization described above and of the procedures in place make it reasonably certain that:

- the financial and accounting information is produced in a satisfactory manner
- the asset protection measures are suited to the sizes of the production facilities and the risk levels identified
- the operations dealt with by each unit are adequately monitored.

C – OTHER INFORMATION

1. Items likely to have an impact on the price of a public offering:

These items are as follows:

- Capital structure: information on PLASTIQUES DU VAL DE LOIRE's capital structure is given in the management report
- Statutory restrictions on voting rights: Unless they are properly disclosed under the conditions stipulated in the Articles of Association and by law, shares exceeding the percentage that must be declared shall lose their voting rights until the situation is resolved, for up to two years following the date on which this disclosure is carried out.
- Direct or indirect stakes in the capital, of which PLASTIQUES DU VAL DE LOIRE is aware under Articles L 233-7 and L233-12 of the Commercial Code: the corresponding information is presented in the management report
- A list of the owners of all shares conferring special control rights: not applicable.
- Control mechanisms provided for in employee stock ownership systems: None.

- Agreements between shareholders of which the company is aware, which may restrict share transfers or the exercise of voting rights: Not applicable, with the exception of "Dutreil" agreements.
- Rules applicable to the appointment and replacement of the members of the Board of Directors: according to Article 13 of the articles of association.
- Rules applicable to the modification of the company's articles of association: Article L295-96 of the Commercial Code specifies that the Extraordinary General Meeting alone shall be authorized for this purpose.
- The Board of Directors' powers with regard to the issue and redemption of shares: refer to the provisions outlined in the management report.
- Agreements providing for the payment of indemnities to the members of the Board of Directors or to employees if they resign or leave the company without real and serious cause or if their employment is terminated due to a takeover: Not applicable.

2. Risk management

Please refer to the provisions provided in the specific note of the appendix to the consolidated financial statements.

III STATUTORY AUDITOR'S REPORT

(Prepared in application of Article L. 225-235 of the Commercial Code, based on the report of the President of the Board of Directors of the company PLASTIQUES DU VAL DE LOIRE)

PLASTIQUES DU VAL DE LOIRE
Financial year ended September 30, 2016

Dear shareholders,

In our capacity as the statutory auditors of the company **Plastiques du Val de Loire** and pursuant to the provisions of Article L. 225-235 of the Commercial Code, we present our report on the report prepared by the President of your company in accordance with the provisions of Article L. 225-37 of the Commercial Code for the financial year ended September 30, 2016.

It is the President's responsibility to prepare and submit for the approval of the Board of Directors a report on the internal control and risk management procedures in place within the company and providing the other information required by Article L. 225-37 of the Commercial Code, namely with regard to the corporate governance structure.

It is our responsibility to:

- report on our observations on the information given in the President's report with regard to the internal control and risk management procedures concerning the preparation and processing of accounting and financial information;
- and certify that the report contains the other information required by Article L. 225-37 of the Commercial Code, it being specified that it is not our responsibility to verify the sincerity of this information.

We have carried out our work in accordance with the professional standards applicable in France.

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

Professional standards require that due diligence be practiced to assess the sincerity of the information on the internal control and risk management procedures concerning the preparation and processing of accounting and financial information contained in the President's report. This due diligence involves:

- taking stock of the internal control and risk management procedures concerning the preparation and processing of accounting and financial information on which the information presented in the President's report is based, as well as the existing documentation;
- taking stock of the work performed in order to prepare this information and the existing documentation;
- determine if the major internal control discrepancies concerning the preparation and processing of accounting and financial information that we observed as part of our mission are appropriately presented in the President's report.

Based on these investigations, we have no comments to make regarding the information on the company's internal control and risk management procedures concerning the preparation and processing of accounting and financial information contained in the report by the President of the Board of Directors, drawn up in application of the provisions of Article L. 225-37 of the Commercial Code.

Other information

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

Saint-Cyr-Sur-Loire and Paris, January 31, 2017,

The Statutory Auditors

Grant Thornton
The French member of Grant Thornton
International

Alliance Audit Expertise
et Conseil

Gilles Hengoat
Partner

Vincent Joste
Partner

4 REVIEW OF THE FINANCIAL POSITION AND RESULTS



I PLASTIVALOIRE GROUP MANAGEMENT REPORT

Note 1. SIGNIFICANT EVENTS OF THE PERIOD

Record financial results

The 2015-2016 financial year was a record year. All of the Group's financial aggregates posted two-figure growth, reaching historic levels. The turnover, operating margin and net result have nearly doubled over five years. This year was also marked by high sales activity, as the PLASTIVALOIRE Group recorded a never-before-seen order intake level, strengthening business leadership, validating the technological decisions made and offering the Group greater visibility of its future growth.

Strengthening of the Group's industrial presence on dynamic markets

The creation of a factory in San Luis Potosi, Mexico, which will begin production in the first quarter of 2017.

Note 2. COMMENTS ON THE CONSOLIDATED ACCOUNTS

A – Comments on the consolidated accounts

The PLASTIVALOIRE Group recorded excellent results in 2015-2016, with clear progress in all operating indicators and strengthened financial fundamentals.

The turnover reached €582.8m, an increase of €104.4m, of which nearly 18% was internal. This performance illustrates the Group's very positive sales dynamic and its ability to offer value-added solutions to its customers in all of the key production zones.

Growth was especially high in Poland, Slovakia and Germany, as well as France.

The well-focused automotive sector represents 82.5% of the total turnover, with an increase in the turnover generated directly from vehicle manufacturers, namely German. The year's industrial-consumer product activity was also remarkable, contributing €92.3m (+36%). Finally, the Tooling turnover, ensuring growth in coming years, also increased by +18.9% to €66.6m.

Record EBITDA margin: 12.3% of turnover

This overall growth had a positive effect on the margins, namely due to a significant increase in production capacity use rates and the continued improvement of productivity. The Group well surpassed its profitability goals, generating a record EBITDA of €71.8m, a 45% increase, representing 12.3% of the turnover, compared with 10.3% in the previous year.

The recurring operating income totalled €46.6m, an increase of +57.9%. The operating result increased by 74.3% thanks to exceptional profits of €1.0m.

The Group share of net income more than doubled, totalling €35.4m (+116%), benefiting from the stable net financial expenses.

Decrease of the debt ratio in line with the management's expectations

At September 30, 2016, the Group's equity benefited from the increased profitability, totalling €216.0m.

The cash flows generated by the activity included a natural, one-time working capital requirement increase of €19.1m, related to the strong growth, and totalled €39.0m for the financial year as a whole. These cash flows, largely composed of the year's investment flows (which totalled €26.2m) allowed the Group to begin paying down debt.

The Group's net debt ratio thereby decreased to 44.5%, perfectly in line with the objectives. The "Net debt/EBITDA" financial ratio decreased to the very low level of 1.3, increasing the Group's financial firepower with a view to potential external growth.

B – INVESTMENTS

The growth of the Group's business, in conjunction with its management's ambition to possess production facilities up to date with the latest technological advances, has led PLASTIVALOIRE to make the following investments:

Upgrading of the machinery and workshop expansion on the NITRA site, totalling €2,990k

Construction of a new building for the subsidiary KARL HESS (€2,406k)

Purchase of a building for the Polish subsidiary FPK (€1,554k)

Start-up of a painting booth and construction of a workshop on the DOLNY KUBIN site (€3,259k).

PLASTIQUES DU VAL DE LOIRE also invested €62,111k in the external growth carried out during the financial year (KARL HESS, OTOSİMA PLASTİK SANAYİ VE TİCARET ANONİM ŞİRKETİ, and an additional stake in the capital of BAP HOLDING).

Note 3. FUTURE PROSPECTS

The 2016-2017 financial year has good visibility thanks to the order portfolio, which remains at high levels. For 2016-2017, the Group is therefore banking on continued growth in the automotive sector and on its ability to maintain its activity level in the industrial-consumer product business following last year's strong growth.

The Group forecasts total turnover for 2016-2017 of over €600m with the EBITDA margin target remaining around 12%. PLASTIVALOIRE is also banking on a significant decrease in its net debt ratio by the end of the financial year, at a level approaching 30%, thanks to its high cash flow generation, excluding any external growth impact.

In this last respect, the Group continues to examine European files with the aim of strategically strengthening its positions and consolidating its sector diversification. Internal business growth in Mexico is in keeping with the schedule, with the first significant contribution to the turnover still being forecasted for 2017-2018.

5 CONSOLIDATED FINANCIAL STATEMENTS



I Consolidated profit and loss account

in thousands of euros	Note	30.09.2016	30.09.2015	30.09.2014
Revenue from ordinary activities	6A	582 838	478 482	418 859
- Sales of products		580 653	476 892	416 107
- Sales of services		2 185	1 590	2 752
Other revenue	6C	5 126	13 436	6 799
Goods and materials consumed	6D	299 009	244 670	215 806
Personnel costs	6E	144 189	132 151	116 893
Depreciation and provisions	6F	29 895	25 578	20 202
Other operating expenses	6G	68 282	60 013	52 156
CURRENT OPERATING INCOME		46 589	29 506	20 601
Other operating revenue	7	1 156	1 495	2 293
Other operating expenses	7	100	3 664	3 028
OPERATING INCOME		47 645	27 337	19 866
Cost of net debt	8	- 2 684	- 2 471	- 1 643
Other financial income and expenses	8	- 442	- 102	294
Share in the income of equity affiliates		286	- 379	- 526
Income tax expense	9	- 5 743	- 2 466	- 2 079
Consolidated net income		39 062	21 919	15 912
Income from interests not conferring control		3 655	5 564	4 128
Group income		35 407	16 355	11 784
Number of shares (in thousands)		2 762	2 750	2 751
Net income per share	10	12,82	5,95	4,28
Net income per diluted share	10	12,82	5,95	4,28

II Consolidated comprehensive income

The other items of the comprehensive income are presented net of tax effects.
These other items are not subsequently reclassified to profit or loss.

In thousands of euros	Note	30.09.2016	30.09.2015	30.09.2014
Net income		39 062	21 919	15 912
Items that will not be reclassified to profit or loss				
Actuarial gains or losses on pension commitments		- 942	1 424	- 1 161
Items that will be reclassified to profit or loss				
Exchange differences resulting from the translation of foreign activities		- 3 081	- 339	- 78
Exchange differences resulting from the translation of debts related to the parent's overall level of investment in foreign activities		- 322	-	-
Total income		34 717	23 004	14 673
Group share		32 128	17 297	11 017
Share of interests not conferring control		2 589	5 707	3 656

III Consolidated statement of financial position

In thousands of euros	Note	30.09.2016	30.09.2015	30.09.2014
I - NON-CURRENT ASSETS		223 740	209 462	144 990
Intangible fixed assets	12	32 197	35 289	5 421
Tangible fixed assets	13	185 786	167 973	133 679
Stake in equity affiliates	14	3 590	1 584	1 952
Other financial assets	14	700	3 839	3 842
Deferred tax asset		1 467	777	96
II - CURRENT ASSETS		305 305	285 553	224 085
Inventory	15	57 249	57 785	43 886
Trade receivables	16	175 404	155 716	119 179
Other receivables	17	28 441	20 636	25 047
Cash and cash equivalents	18	44 211	51 416	35 973
III - Assets intended to be sold		-	-	-
A - TOTAL ASSETS		529 045	495 015	369 075
I - EQUITY	15	215 983	185 520	177 317
Capital	19	5 531	5 531	5 531
Premiums		17 843	17 843	17 843
Consolidated reserves		141 301	131 345	109 504
Consolidated net income - Group share		35 407	16 355	11 784
Issued capital and reserves attributable to owners of the parent		200 082	171 074	144 662
Interests not conferring control		15 901	14 446	32 655
II - NON-CURRENT LIABILITIES		99 381	104 866	51 888
Long-term financial debts	21	88 485	95 994	43 219
Deferred taxes		3 678	3 938	2 308
Pension and retirement liabilities	20	7 218	4 934	6 361
III - CURRENT LIABILITIES		213 681	204 629	139 870
Trade and other payables		65 161	58 013	47 753
Other current payables	22	89 258	87 861	59 846
Short-term financial debts	21	51 938	49 318	28 575
Provisions	20	6 643	4 398	3 099
Income tax liabilities		681	5 039	597
IV - Liabilities directly related to assets intended to be sold		-	-	-
B - TOTAL EQUITY AND LIABILITIES		529 045	495 015	369 075

IV Changes in consolidated equity

Headings	Note	Number of shares issued	Capital	Premiums	Translation differences	Accumulated consolidated reserves	Equity		Total
							Group share	Interests not conferring control	
Equity at 30.09.2013		2 765	5 531	17 843	-5 418	111 493	129 449	39 806	169 255
2013 - 2014 comprehensive income					68	10 949	11 017	3 656	14 673
Business combination impact							0	(2)	(2)
Capital increase								640	640
Put / interests not conferring control								(10 061)	(10 061)
Treasury shares						4 628	4 628		4 628
Dividend distribution						(269)	(269)	(1 352)	(1 621)
Other						(163)	(163)	(32)	(195)
Equity at 30.09.2014		2 765	5 531	17 843	-5 350	126 638	144 662	32 655	177 317
Income at 30.09.2015						16 355	16 355	5 564	21 919
Income directly recognized as equity					-482	1 424	942	143	1 085
Translation reserve transactions					-482		-482	143	-339
Actuarial differences recognized as equity						1 424	1 424		1 424
2014 - 2015 comprehensive income					(482)	17 779	17 297	5 707	23 004
Impact of share repurchase not conferring control						12 534	12 534	(23 122)	(10 588)
Treasury shares						(157)	(157)		(157)
Dividends distributed by PVL						(3 326)	(3 326)		(3 326)
Dividends distributed by the Group companies								(800)	(800)
Other						64	64	6	70
Equity at 30.09.2015		2 765	5 531	17 843	-5 832	153 532	171 074	14 446	185 520
Income at 30.09.2016						35 407	35 407	3 655	39 062
Income directly recognized as equity					-2 016	-1 263	-3 279	-1 066	-4 345
Translation reserve transactions					-2 016		-2 016	-1 065	-3 081
Actuarial differences recognized as equity						-941	-941	-1	-942
Other translation differences						-322	-322	0	-322
2015 - 2016 comprehensive income					(2 016)	34 144	32 128	2 589	34 717
Operations on treasury shares						805	805		805
Dividends distributed by PVL						(3 911)	(3 911)		(3 911)
Dividends distributed by the Group companies								(1 139)	(1 139)
Other						(14)	(14)	5	(9)
Equity at 30.09.2016		2 765	5 531	17 843	-7 848	184 556	200 082	15 901	215 983

The acquisitions of non-controlling interests conducted in the 2014/2015 financial year involve the BAP HOLDING securities mentioned in Note 4 of VI.

V Consolidated cash flow statements

Cash flows (in thousands of euros)	30.09.2016	30.09.2015	30.09.2014
BUSINESS OPERATING TRANSACTIONS			
NET PROFIT (Group share)	35 407	16 355	11 784
Minority interests in the profits of integrated companies	3 654	5 564	4 128
Share of results of equity affiliates	-286	379	526
Items not affecting cash			
Depreciation and provisions	25 913	21 379	21 166
Depreciation and provision write-offs	-1 460	-2 154	-1 871
Capital gains and losses on sales	-159	761	-148
Current and deferred tax	5 743	2 466	2 079
Financial interest expense	2 684	2 471	1 644
SELF-FINANCING ABILITY	71 496	47 221	39 308
<i>Net changes to operating cashflow</i>	-8 585	-6 649	-13 900
Net changes in inventory and unfinished goods	-351	-2 742	-525
Changes in Trade and other receivables	-24 107	-7 243	-9 404
Changes in Trade and other payables	15 873	3 336	-3 971
Changes in other net operating assets and liabilities	-10 479	10 727	13 416
Changes to working capital requirement items	-19 064	4 078	-484
Income tax paid	-10 739	-4 563	-3 835
Interest paid	-2 690	-2 393	-1 683
Net cash flow from operations	39 003	44 343	33 306
INVESTMENT OPERATIONS			
Disbursement / acquisition of intangible fixed assets	-768	-2 272	-174
Disbursement / acquisition of tangible fixed assets	-31 137	-19 425	-12 016
Collection / sale of intangible and tangible fixed assets	3 820	3 957	1 427
Disbursement / acquisition of financial assets	-92	-64 403	-851
Collection / sale of financial assets	3 487	400	329
Net cash flow / acquisition and sale of subsidiaries	-1 513	3 927	-41
Net cash flow from investment transactions	-26 203	-77 816	-11 326
FINANCING OPERATIONS			
Capital increases or contributions			640
Dividends paid to the parent's shareholders	-3 911	-3 298	-274
Dividends paid to minority shareholders	-1 139	-828	-1 348
Disbursement/acquisition of own shares	0	0	4 764
Collections from borrowings	18 934	77 404	8 659
Repayment of borrowings	-28 644	-24 973	-22 726
Net cash flow net of financing operations	-14 760	48 305	-10 285
Impact of exchange rate fluctuations	-1 144	-142	16
CHANGE IN CASH POSITION	-3 104	14 690	11 711
CASH POSITION OPENING BALANCE	41 260	26 570	14 859
CASH POSITION CLOSING BALANCE	38 156	41 260	26 570

The self-financing capacity increased by €24.3m over the financial year to reach €71.5m.

After factoring in the variation in working capital requirements and the influence of cash flows related to investments (-€26.2m) and financing (-€14.8m), the cash flow decreased by €3.1m. The net financial debt remained stable at €93.7m as of 30/09/2016.

The amounts given in the cash flow statement above are net of bank overdrafts. (Note 18)

VI Appendix to the consolidated financial statements

Note 1. Accounting principles	72
Note 2. Key events of the period	81
Note 3. Events subsequent to the closing of the financial year	81
Note 4. Business combination	81
Note 5. Information by operating segment	82
Note 6. Analysis of the recurring operating income	83
Note 7. Other operating income and expenses	84
Note 8. Financial income	85
Note 9. Income taxes	85
Note 10. Net income per share	86
Note 11. Goodwill	87
Note 12. Intangible fixed assets	89
Note 13. Tangible fixed assets	90
Note 14. Financial assets	92
Note 15. Inventory	93
Note 16. Accounts receivable	93
Note 17. Other current assets	94
Note 18. Cash and cash equivalents	94
Note 19. Equity	95
Note 20. Current and non-current provisions	96
Note 21. Financial liabilities	98
Note 22. Other current liabilities	99
Note 23. Management of financial risks	100
Note 24. Financial instruments recorded on the balance sheet	100
Note 25. Associated parties	101
Note 26. Off-balance-sheet commitments and contingent liabilities	102
Note 27. Consolidated companies	103
Note 28. STATUTORY AUDITORS' FEES	106

Note 1. Accounting principles

The consolidated financial statements for the PLASTIVALOIRE Group are drawn up according to the IFRS Standard (*International Financial Reporting Standards*), as adopted by the European Union.

The IFRS Standard includes the IFRS and IAS (*International Accounting Standards*) standards, as well as their SIC (*Standing Interpretations Committee*) and IFRIC (*International Financial Reporting Interpretations Committee*) interpretations.

The standards used to prepare the annual financial statements at September 30, 2016 and the 2015 and 2014 comparative financial statements are those published in the Official Journal of the European Union (OJEU) on September 30, 2016, whose application is mandatory.

The accounting methods used were consistently applied to all financial years presented.

Standards and interpretations applicable to the financial year beginning on October 1, 2015

The standards and interpretations adopted in the European Union, whose application to the consolidated financial statements of the PLASTIVALOIRE Group as of October 1, 2015, is mandatory, are as follows:

- IAS 19 Employee benefits - Amendments Defined benefit plans: Employee contributions, retrospectively applicable to financial years beginning as of 1/2/2015
- Annual improvements to IFRSs - 2010-2012 cycle: these amendments, applicable to financial years beginning as of 1/2/2015, are prospectively applicable and concern:
 - IFRS 2 Share-based payment: defining the conditions for share acquisition
 - IFRS 3 Contingent consideration: Accounting of any consideration received in a business combination and amendment to IAS 39/IFRS 9; while the IFRS 2 and IFRS 3 amendments are prospectively applicable, they should be applied to all plans and combinations whose "grant date" and acquisition date, respectively, are later than July 1st, 2014
 - IFRS 8 Operating segments: Aggregations of operating segments
 - IFRS 8 Operating segments: Reconciliations of the totals of segment revenues reported and the entity's assets
 - IFRS 13 Fair value: Short-term receivables and payables
 - IAS 16 and IAS 38 Revaluation model: Proportionate restatement of accumulated depreciation
 - IAS 24 Related parties: Key management personnel
- IFRS Annual Improvements - 2011-2013 cycle: these standard amendments apply prospectively and concern:
 - IFRS 3 - Business combinations - to clarify that the formation of any forms of joint arrangements as defined by IFRS 11 - Joint arrangements (meaning joint operations or joint ventures) is excluded from the scope of IFRS 3; this exclusion only applies to the financial statements of the joint arrangement itself.
 - IFRS 13 - Fair value measurement - to indicate that the IFRS 13 exception enabling the fair value of financial assets and liabilities to be measured on a net basis applies to all contracts under IAS 39 - Financial instruments - recognition and measurement or IFRS 9 - Financial instruments, whether or not they meet the definitions of assets or liabilities under IAS 32

These standards, amendments to standards and interpretations have no significant impact on the consolidated financial statements at September 30, 2016.

Published standards and interpretations not yet in force

The Group has not anticipated any standards or interpretations whose application is not mandatory on September 30, 2016:

- IFRS 9 Financial Instruments: retrospectively applicable starting 1/1/2018. This offers a single logical approach for the classification and measurement of financial assets which reflects the economic

model under which they are managed and their contractual cash flows; a single, forward-looking "expected loss" impairment model; and a substantially-reformed approach to hedge accounting. The information in the appendix is also reinforced.

- IFRS 15 Revenue from contracts with customers: retrospectively applicable starting 1/1/2018. It establishes the principles for the accounting of revenue from contracts with customers. The core principle is to record revenue to depict the transfer of goods or services to a customer in an amount that reflects the payment the entity expects to receive in exchange for these goods or services. It replaces IAS 18 and IAS 11 along with their interpretations
- IFRS 16 Leases: retrospectively applicable starting on 1/1/2019. It establishes principles for the recognition, measurement, presentation and disclosure of leases for lessees and lessors. It replaces current standard IAS 17 and this standard's interpretations

The following amendments and improvements are applicable to financial years beginning as of 1/1/2016:

- Amendments to IAS 16 and IAS 38 on acceptable methods of depreciation
- IFRS 11 amendment on acquisitions in a joint operation
- IAS 1 amendment on materiality and aggregation in the profit and loss account and balance sheet.
- Annual improvements to the IFRS standards - *2012-2014 cycle*: applies prospectively. The standards affected are:
 - IFRS 5 - Non-current assets held for sale and discontinued operations;
 - IFRS 7 - Financial instruments: Disclosures;
 - IAS 19 - Employee benefits;
 - IAS 34 - Interim financial reporting.

Their potential impacts will be assessed during the financial year.

A – Consolidation principles

The companies over which the Group directly or indirectly exercises sole control are fully consolidated. These are companies for which the Group has the power to direct the core activities with the aim of gaining a financial profit on which it can have an influence. This power generally arises from voting rights (including potential voting rights when they are substantive in nature) or contractual rights.

The subsidiaries are fully consolidated starting on the date on which control is transferred to the Group. They are deconsolidated starting on the date on which control ceases.

The other companies over which the Group exercises a significant influence, generally arising from a stake representing between 20 and 50% of the voting rights, are consolidated using the equity method. The significant influence must be proven when the shareholding level is below this threshold.

The Group's financial statements are drawn up in euros.

The foreign subsidiaries generally use the local currency as their operating currency. Their statements are converted into euros at the closing rate for the balance sheet and at the average rate for the profit and loss accounts. The resulting translation differential is recorded in the equity.

B – Intangible assets

1. Goodwill

The acquisition cost (excluding fees, which are recorded as expenses for the period) for shares in consolidated companies is recorded in the assets and liabilities of the acquired entity on the basis of its fair value measured on the acquisition date.

When the acquisition cost is greater than the fair value of the revalued assets, net of liabilities, the difference is recorded as goodwill.

In accordance with IAS 36, goodwill is not subject to depreciation, but to an annual impairment test as soon as indications of impairment appear. To perform this test, the goodwill is allocated between the cash-generating units corresponding to groups of assets which generate independent cash flows.

With regard to goodwill, the cash-generating units were defined on the level of the production site.

The book value of the grouped assets is compared to the highest value between their value in use, equal to the discounted sum of the expected future net cash flow, and their market value net of selling costs.

Acquisitions of stakes that do not confer control or the issue of options to acquire stakes that do not confer control (minority put options) are recorded as transactions with owners in their capacity as owners and as such, no goodwill is recorded. The difference between the price paid (including direct transaction costs) and the book value of the interests in the net assets acquired on the transaction date is recorded as Group equity.

2. Research and development costs and specific study costs

The study costs incurred as part of a specific order are recorded as expenses based on the stage of completion and according to the accounting method for the revenue as described in Note O.

Development expenses and study costs not meeting the conditions presented above are expensed for the financial year during which they are incurred if they do not satisfy the conditions stated in IAS 38.

3. Other intangible fixed assets

Other intangible fixed assets include development or acquisition costs for computer software for internal use, amortized on a straight-line basis over a term between three and five years, as well as patents and licenses.

C – Tangible fixed assets

1. Gross value of fixed assets

Tangible fixed assets are recorded at their acquisition cost, or their production cost for those produced by the company.

Maintenance and repair costs are recorded as expenses, except those incurred to increase productivity or extend the duration of use of an asset, which are capitalized, and the book value of the replacement part is recorded as an expense.

The borrowing costs incurred during the fixed asset construction period are added to the value of the fixed assets in application of IAS 23.

2. Depreciation

Depreciation is calculated using the straight-line method over the expected useful life:

Buildings and initial fixtures (1)	10 – 40 years
Presses, blowers, painting and chroming lines and processing machines (2)	10 years
Other industrial equipment	3 – 7 years

(1) Construction is recorded using the component approach.

(2) Injection presses are depreciated over 10 years with a residual value of 25% over this period; they are then subjected to depreciation tests.

Useful life is reviewed at each balance sheet date

3. Specific equipment

Specific equipment manufactured or bought for the purpose of producing parts or modules under a specific customer order are recorded as expenses based on the stage of completion and according to the accounting method for the revenue as described in Note O and are systematically resold to customers.

4. Investment subsidies

Investment subsidies received are recorded as deferred revenue and are entered in the profit and loss account as "other operating revenue" depending on the useful life of the fixed asset to which they are related.

5. Lease financing

The assets which the Group possesses which are financed under leases are treated as assets financed by credit and are recorded as assets offset against a debt.

D – Losses in value of fixed assets

At each closing date, a review is conducted to verify whether there is any indication that an asset has lost value.

Significant adverse changes in the market in which the company operates, or changes affecting the conditions of use of the assets, are the primary indications of loss of value.

The recoverable amounts of the assets are assessed at the level of each CGU (factories in this case).

The recoverable amount is the highest value between the value in use and the fair value net of costs to sell.

The value in use is determined on the basis of the discounted value of future estimated cash flow generated from the use of the assets. The discount rate used corresponds to the weighted average cost of capital determined by the company. When the recoverable amount is lower than the book value, depreciation is deducted from the corresponding assets and recorded under operating results.

The time horizon considered corresponds to the assets' estimated useful life.

E – Financial assets and liabilities

1. Definition

The Group records a financial asset or liability when it becomes a party to the contractual provisions of the instrument.

Financial assets include, on the one hand, holdings in companies that are not consolidated because they are neither controlled (either exclusively or jointly) nor under significant influence and, on the other hand, loans and securities.

They are classified as non-current assets, except for those maturing within twelve months from the closing date, which are classified as current assets or cash equivalents, as appropriate.

Financial liabilities include loans and other interest-bearing debts.

2. Recognition and measurement of financial assets

- ***Financial assets***

These represent the Group's stake in the capital of non-controlled companies. They are recorded on the balance sheet at their acquisition cost, as their fair value cannot be determined.

This value is the subject of depreciation tests based on the financial analysis criteria most suitable to each company's specific situation; a loss of value is recorded if applicable. The criteria generally used are the share of equity and the potential profitability.

- ***Other financial assets***

Other financial assets include loans and paid deposits and guarantees. They are measured at amortized cost. Any objective indications of loss of value (a negative difference between the book value and the recoverable value of these assets) shall result in depreciation being recorded on the profit and loss account. This depreciation is recovered through profit in the event of a favourable reversal.

- ***Cash and cash equivalents***

This includes current account balances, deposits maturing in less than 3 months, and shares in money market mutual funds, which can be transferred or sold quickly and are not at significant risk of value loss should interest rates fluctuate. These components are measured at their fair value at the close of the financial year and any changes are recorded as financial income.

3. Measurement and recognition of financial liabilities

Financial debts are generally measured at the amortized cost calculated using the effective interest rate.

F – Derivatives

The Group makes use of derivative financial instruments such as currency hedging contracts. These derivative financial instruments are measured at their fair value.

When they are classified as hedges, it is appropriate to distinguish between:

- fair value hedges, which cover exposure to fluctuations in the fair value of a recognized asset or liability;
- cash flow hedges, which cover exposure to future cash flow fluctuations.

With regard to fair value hedges, any profits or losses resulting from the revaluation of the hedge instrument at its fair value are recorded in the profit and loss account. In parallel, any profits or losses on the hedged item change the book value of this item with a corresponding change on the profit and loss account.

With regard to future cash flow hedges, the part of any profit or loss on the hedge instrument that is considered to constitute an effective hedge is directly recorded as equity. The ineffective portion is

immediately recorded as income. Profits and losses recognized in equity are recorded in the profit and loss account for the period during which the hedged firm commitment affects the profits.

For derivatives that do not meet the qualifying criteria for hedge accounting, any profits or losses resulting from fair value fluctuations shall be directly recognized in the profits and losses for the financial year.

G – Inventory

The cost price corresponds to the acquisition cost or production cost. The latter includes, assuming a normal level of activity, the direct and indirect production costs and a portion of the manufacturing overheads; it does not include borrowing costs.

Raw material inventories are valued using the weighted average unit cost method.

When the net realizable value is less than the book value, depreciation is recorded for the difference.

H – Trade accounts receivable

Trade receivables are stated at their nominal value. Provisions for depreciation are recorded when there are objective indications that the Group will not be able to recover these receivables. Bad debts are recorded as losses when they are identified as such.

Study costs and costs for tools sold to customers which are incurred for the manufacture and delivery of modules under a specific order without a contractual volume commitment by the customer (payment as the parts are delivered) are recorded under the "accounts receivable" heading without recording of a profit. These assets are not valued at their selling price unless there exists a customer guarantee that they will be paid in full. These costs are recorded in the profit and loss account according to the quantities of parts delivered to the customer. They may be depreciated if necessary.

I – Assignment of receivables

Receivables assigned to third parties (securitization, discounting) are removed from the Group's assets when the risks and advantages associated with them are substantially transferred to said third parties.

J – Assets intended to be sold and activities intended to be sold

No assets are concerned by this heading for this financial year.

K – Foreign currency transactions

Transactions denominated in a currency other than the functional currency of the entity entering into the transaction are first translated and then recorded in the functional currency at the rate prevailing on the date of the transaction.

On the closing date, monetary assets and liabilities denominated in foreign currencies (except derivatives) are translated at the exchange rate prevailing on said date. Exchange differences resulting from these transactions are recorded in the profit and loss account, except translation differences for debts, receivables, financial instruments designated as hedges and net investments in foreign companies.

The effects recorded in the profit and loss account are recognized:

- as financial income for translation differences for financial transactions.
- as operating income for other translation differences.

L – Equity

1. Equity transaction costs

Internal and external costs (when eligible) directly attributable to capital transactions or equity instruments are recorded, net of taxes, as a deduction from equity. Other costs are recognized as expenses in the financial year.

2. Own shares

Treasury shares are charged at their acquisition cost against equity. The proceeds from any sale of these shares is directly recorded as an increase in equity, so that the capital gains or losses on the sale, net of the related tax impact, do not affect the net income for the financial year.

M – Provisions

1. Pension commitments and other long-term employee benefits

For defined contribution plans, the Group's payments and provisions are recorded as expenses for the period to which they relate.

For defined contribution plans concerning post-employment benefits, the costs of the benefits are estimated using the projected unit credit method. According to this method, benefit entitlements are allocated to periods of service depending on the plan's benefit formula, on a straight-line basis when the rate of acquisition of entitlements is not uniform over subsequent periods of service.

The amounts of future payments corresponding to the benefits granted to employees are measured using assumptions including wage developments, retirement age, mortality and employee turnover, then discounted to their present value based on the long-term bond interest rates of prime issuers.

When the calculation assumptions are revised, the resulting actuarial gains and losses are recorded as other comprehensive income.

The net expense for the financial year, corresponding to the total of the costs of services rendered and the financial cost, is charged in full to the recurring operating income. The impact of actuarial profits and losses is recorded under comprehensive income.

2. Other provisions

Provisions are recognized when the Group has a present legal or constructive obligation arising from a past event and it is likely that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated. If the effect of the time value of money is significant, the provisions are discounted at a pre-tax rate reflecting the risks specific to the liability, if applicable. When the provision is discounted, the increase of the provision associated with the passage of time is recognized as a borrowing cost under financial costs. Provisions are recorded as "non-current liabilities" for the non-current portion and as "current liabilities" for the current portion.

The cost of workforce adjustment measures is recorded as an expense when the Group is demonstrably committed to implementing the plan, meaning the plan has been drawn up in a detailed manner and announced to the affected employees. The estimated cost of restructuring measures is recorded as an expense when they are presented in a detailed plan and an announcement has been made or implementation has begun. If compensation is contingent on a future condition of service, the expense is spread over the period.

N – Turnover and profit

1. Recording of turnover

Turnover is recorded at the moment of transfer of control and of the risks and benefits inherent to the ownership of the modules or parts produced, generally at the time of shipping.

For research contracts and sales of tools, the turnover is recognized based on the technical stages approved by the customer, and in the absence of technical stages specified in the contract, based on the stage of completion of the study or tools.

The turnover comprises all income resulting from the sale of the Group's products and the service provisions related to these sales.

Service provisions related to the sale of plastic parts or tools are recorded based on the period in which the service is rendered.

2. Income from tools and recognition of profits

Income from tools

Income from tools whose sale is binding or which is the subject of a volume guarantee is recorded using the percentage of completion method.

Equipment costs

Equipment costs are considered operating expenses and included in the operating income.

O – Presentation of the financial statements

1. Recurring operating income

The Group uses recurring operating income as its primary performance indicator.

It corresponds to the income of the controlled companies before inclusion of

- other operating income and expenses, corresponding to exceptional, non-recurring and significant items, including entity streamlining costs and early retirements, the effects of exceptional occurrences such as the discontinuation of an activity, the closure or sale of a manufacturing site, the sale of non-operating buildings, the recognition of losses of value for intangible assets and other significant exceptional losses;
- yield on loans, securities and cash;
- financing expenses;
- other income such as yield on funds allocated for hedging, the ineffectiveness of currency and rate hedges and value fluctuations in currency and rate instruments whose hedge relationships do not meet IAS 39 criteria, income from sales of shares in subsidiaries;
- taxes.

2. Operating income

Operating income comprises all income and expenses directly related to the Group's activities, whether recurring or the result of one-time decisions or transactions, such as:

- restructuring costs and costs related to workforce adjustment measures,
- income from sales of businesses or operating entities,
- income from sales of tangible and intangible fixed assets,

- exceptional items corresponding to income and expenses that are non-habitual in their frequency, nature or amounts.

P – Financial income

Financial income comprises interest income and expenses for the Group as a whole.

Interest income and expenses are recognized using the effective interest method, which consists of the actuarial allocation of the interest and transaction costs over the duration of the loan or borrowing.

Q – Income tax

Temporary differences between the book values and tax values of assets and liabilities lead to the recognition of deferred taxes calculated using the liability method, subject to exceptions.

These differences are primarily the result of standardizing entries in subsidiary accounts and deferrable tax losses.

Deferred taxes are measured on the basis of known changes in interest rates and the tax regulations in force on the closing date.

Deferred tax assets corresponding to deferrable losses and temporary differences are only recognized when they have a proven likelihood of being used in the relatively short term and at least in the amount of the deferred tax liabilities.

Presentation of taxes and tax credits:

CICE	Personnel costs
CVAE	Other business operating expenses
CIR	Income tax expense
Other tax credits	Income tax expense

R – Assessments and judgements

To prepare its financial statements, PLASTIVALOIRE must make assessments and assumptions that affect the book value of certain assets, liabilities, income and expenses, as well as the information given in some of the notes in the appendix. PLASTIVALOIRE regularly reviews its estimates and assessments in order to take into account past experience and other factors deemed relevant in light of the economic circumstances. Depending on changes to these assumptions or if circumstances vary from those anticipated, amounts in future financial statements could differ from the current estimates. The recoverable value of the assets and the provisions, the main items in the financial statements, depend on estimates and judgements.

Note 2. Key events of the period

A – Changes in the scope of consolidation

- **PLASTIVALOIRE Mexico**

Setting up of a factory in San Luis Potosi, Mexico, which is scheduled to start up in the 1st quarter of 2017. Creation on July 4, 2016 of PLASTIVALOIRE Mexico, with a capital of 150,000 MXN, 80% of which is held by PVL.

Note 3. Events subsequent to the closing of the financial year

No subsequent events have taken place.

Note 4. Business combination

The following accounts have been prepared using the same assumptions and adjustments as were used for the consolidated financial statements at September 30, 2015:

- With the companies Karl Hess and Otosima being added for the period from October 1st, 2014 to September 30, 2015.
- Taking into account the acquisition of a 33% stake in BAP Holding on October 1st, 2014.

in thousands of euros	30/09/2016	Pro forma on 30/09/2015	Change
Ordinary revenue	582 838	499 073	83 765
Other operating revenue	5 126	14 228	- 9 102
			-
Goods and materials consumed	299 009	255 491	43 518
Personnel expenses	144 189	136 113	8 076
Depreciation and provisions	29 895	26 233	3 662
Other operating expenses	68 282	63 482	4 800
Current operating result	46 589	31 981	14 608
%	8,0%	6,4%	
Operating income	47 645	29 781	17 864
%	8,2%	6,0%	
Financial result	- 2 840	- 2 933	93
Corporate tax	- 5 761	- 2 884	- 2 877
Net consolidated result	39 044	23 964	15 080
%	6,7%	4,8%	
Group income	35 390	21 594	13 796
%	6,1%	4,3%	

Note 5. Information by operating segment

In accordance with IFRS 8 "Operating Segments", the information by operating segment is based on the internal organization of the Group's activities and is directed at the Group's operations management.

The sector information is broken down into the following branches:

- the Plastics Processing branch, which is composed of the Group's production facilities,
- the Development branch, which consists of the manufacture of moulds and specific tools.

Each of these branches forms a cohesive whole which is exposed to its own risks and profitability. The income and expenses resulting from the Tools activity is recognized as operating income and expenses. The assets are specific to each sector.

A – Information by operating sector

1. Profit and loss accounts

in thousands of euros	Plastic parts	Development	Total
30/09/2016			
Turnover	516 199	66 639	582 838
Recurring operating income	44 126	2 463	46 589
Other operating expenses and income	1 009	47	1 056
Operating income	45 135	2 510	47 645
Financial income			-3 126
Income tax expenses			-5 743
Equity method			286
Net income			39 062
Tangible and intangible investments	41 837	1 369	43 206
Tangible and intangible assets	431 955	14 677	446 632
30/09/2015			
Turnover	422 414	56 068	478 482
Recurring operating income	27 810	1 696	29 506
Other operating expenses and income			-2 170
Operating income			27 336
Financial income			-2 572
Income tax expenses			-2 466
Equity method			-379
Net income			21 919
Tangible and intangible investments	28 367	6	28 373
Tangible and intangible assets	404 176	13 345	417 521

The sectorial aggregates are determined using the same methods as for the consolidated financial statements.

Note 6. Analysis of the recurring operating income

A – Turnover at September 30, 2015 for the 2016 perimeter

in thousands of euros	Plastic	Tools	Total
Reported turnover for 2015	422 414	56 068	478 482
Perimeter change in 2015/2016	19 059	1 532	20 591
Turnover for 2015 over the 2016 perimeter	441 473	57 600	499 073
Turnover for 2016	522 077	60 761	582 838
Change in %	18,3%	5,5%	16,8%

The change in perimeter is related to the acquisitions of the companies Karl Hess and Otosima for 13,220 and 7,371 thousand euros, respectively.

B – Other recurring operating income

In thousands of euros	30.09.2016	30.09.2015	30.09.2014
Inventoried products	- 979	1 161	115
Capitalised production	240	911	934
Operating subsidies	33	7	20
Write-off on depreciation	4 678	5 708	2 088
Other income	1 154	5 649	3 642
Total	5 126	13 436	6 799

Capitalized production is not reclassified as a decrease of the related expenses in the absence of detailed information.

C – Goods and materials consumed

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Raw materials consumed	275 319	222 730	196 162
Non-inventoried purchases - Energy	23 690	21 940	19 644
Total	299 009	244 670	215 806

D – Personnel expenses

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Salaries and wages	107 988	100 713	87 411
Payroll expenses	36 069	31 352	29 413
Profit sharing	132	86	69
Total	144 189	132 151	116 893
Average workforce	5 004	4 692	4 291

E – Allocations for amortization and depreciation

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Depreciation	19,402	18,569	16,429
Impairment - loss of value	837	531	805
Impairment of current assets	4,045	4,703	1,745
Provisions for risks	5,611	1,775	1,223
Total	29,895	25,578	20,202

F – Other recurring operating expenses

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Subcontracting	1 144	1 387	1 014
Leases	3 322	3 716	2 719
Maintenance and repair	10 284	8 667	7 542
Insurance	1 839	1 690	1 273
External staff	25 574	18 843	16 339
Transportation	8 946	8 097	7 967
Fees	2 568	2 601	2 318
Travel and entertainment	2 777	2 391	1 940
Telecommunications	970	1 058	843
Other external services	2 574	3 586	2 277
External expenses	59 998	52 036	44 232
Other expenses	744	751	563
Other operating expenses	744	751	563
Taxes and duties	7 540	7 226	7 361
Total	68 282	60 013	52 156

Note 7. Other operating income and expenses

A – Other operating income and expenses

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Gains on sale of property	685	39	148
Write-off of non-recurring provisions	327	254	1 066
Other miscellaneous non-recurring revenue	144	1 202	1 079
Total Other operating income	1 156	1 495	2 293
Restructuring costs	-	1 513	440
Non-recurring provisions	-	1 193	2 201
Other miscellaneous expenses	100	958	387
Total Other operating expenses	100	3 664	3 028

Sale of fixed assets essentially consists of the sale of industrial equipment

Note 8. Financial income

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Interest expenses	- 3 433	- 3 004	- 2 219
Financial income from investments	749	533	576
Cost of net financial debt	- 2 684	- 2 471	- 1 643
Income on currency exchange transactions	- 113	299	760
Financial impairments	- 329	- 401	- 466
Other financial income and expenses	- 442	- 102	294

Note 9. Income taxes

Whenever possible, the PLASTIVALOIRE Group has opted for the tax consolidation regime in France.

A – Current and deferred tax expenses

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Current tax expenses	6 117	3 552	2 225
Deferred tax expenses	- 374	- 1 086	- 146
Income tax expenses	5 743	2 466	2 079

The current tax expense generated by the foreign entities totalled 5,007 thousand euros in 2016.

B – Reconciliation between the theoretical tax expense and the tax expense effectively recognized

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Before-tax income of integrated companies	44 805	25 471	18 136
Tax at 33.33 %	- 14 935	- 8 490	- 6 045
Impact of local rate difference	4 960	3 491	3 588
Tax credits	151	180	215
Non-activation of tax deficit		- 380	-
Recording of deferred taxes on deficits that can be carried forward up to the deferred tax liabilities	697	- 516	-
Tax deficit allocation	2 210	531	1 038
Permanent differences between book income and taxable income	1 174	2 718	- 1 021
Overall tax recorded	- 5 743	- 2 466	- 2 225
Effective overall tax rate	-12,82%	-9,68%	-12,27%

The Group's effective rate was 12.82% as of September 30, 2016, compared with 9.68% as of September 30, 2015.

C – Breakdown of the net total deferred taxes

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Tangible and intangible fixed assets	- 14 620	- 13 818	- 12 208
Provisions and other expenses deductible upon utilisation	2 897	1 615	1 329
Deferred tax asset on loss carryforwards	8 894	7 983	9 643
Other	618	1 060	- 976
Net balance of deferred tax assets and liabilities	- 2 211	- 3 160	- 2 212
Of which			
recorded in liabilities	- 3 678	- 3 937	- 2 308
recorded in assets	1 467	777	96

The Group has not recorded a deferred tax asset for the loss carry-forwards for France over the amount of the deferred tax liabilities, for a total of 17,695 thousand euros at September 30, 2016. This tax credit can be carried forward indefinitely.

D – Deferred tax changes

in thousands of euros	01.10.2015	In comprehensive income	Profit and loss account	30.09.2016
Non-current assets				
Fixed assets	- 13 818	- 571	- 231	- 14 620
Financial fixed assets	699		6	705
Current assets				
Receivables	- 241		- 341	- 582
Current liabilities				
Provisions and charges payable	1 761	463	706	2 930
Other debts	456		8	464
Deferred tax asset on loss carryforwards	7 983		911	8 894
Other			- 2	- 2
Total	- 3 160	- 108	1 057	- 2 211

Note 10. Net income per share

The net income per share is calculated by dividing the Group share of the net income (35,407 thousand euros for 2016 and 16,355 thousand euros in 2015) by the number of shares, as defined below.

The number of shares used to calculate the net income per share is the weighted average number of ordinary shares outstanding during the period, after neutralization of treasury shares.

The Group has no dilutive instruments.

Quantity	30.09.2016	30.09.2015	30.09.2014
Shares outstanding	2 765 700	2 765 700	2 765 700
Treasury shares	- 4 067	- 15 381	- 14 335
Number of shares used for the net earnings per share	2 761 633	2 750 319	2 751 365

Note 11. Goodwill

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Gross value	33 784	33 784	4 792
Impairment	- 4 546	- 4 546	- 4 546
Translation difference and other transactions	-	-	-
Total	29 238	29 238	246

In addition to the goodwill recorded for the period for Karl Hess and Otosima, described in Note 4, the historic goodwill is a result of the acquisition of companies located in France and Romania.

In accordance with the principle presented in Note 1, the book value of each asset group including the goodwill associated with it is compared with the highest value between the market value net of costs to sell and the value in use, the latter being equal to the total discounted future net cash flow projected for each asset group. The future cash flow used is derived from medium-term forecasts for the 2017-2018 period which were made in October 2016 on the basis of the latest known sales assumptions (IHS Inc in August 2016 for 3 years).

The extrapolation of the forecasts for the last year of the medium-term plan (2018), projected to infinity, is determined using a constant growth rate determined based on the growth forecasts for the automotive market.

Taking these parameters into account, the average cost of capital used as the discount rate for the future cash flows was set at 8% for the rate without country risk, and 11.7% for Turkey; it was 6.52% in 2015. These rates were used to perform impairment tests for all of the CGUs. The CGUs are subject to the same risks specific to the automotive equipment sector and multinational operation does not justify using geographically different discount rates.

The test conducted in late September 2016 confirmed the balance sheet value of the goodwill.

It is broken down as follows over the different manufacturing sites (in thousands of euros):

Name of company owned	Gross value	Impairment	Net value
Sablé Injection	406	406	0
ERE Plastique	3 508	3 508	0
Ouest Injection	632	632	0
Elbromplast (Romania)	246	0	246
Karl Hess GMBH (Germany)	20583		20583
Otosima (Turkey)	8409		8409
Total	33 784	4 546	29 238

Breakdown by sector

Sector	Gross value	Impairment	Net value
Plastic injection-moulding	33784	4546	29238
Tool development	0	0	0
Value as of 30.09.2016	33784	4546	29238
Plastic injection-moulding	33784	4546	29238
Tool development	0	0	0
Value as of 30.09.2015	33784	4546	29238

The test's sensitivity to fluctuations in the assumptions used in late 2015 to determine the value in use of the asset groups to which the goodwill has been allocated is illustrated in the table below:

Sensitivity in thousands of euros	Test margin (value in use - book value)	Cash flow discount rate + 0.5 pts	Operating margin rate of terminal value - 0.5 pt	Combination of the previous two factors operating on the terminal value - 0.5pts
Plastic injection-moulding	10 790	- 5 673	- 4 696	- 10 034
Tool development	-	-	-	-
Value as of 30.09.2016	10 790	- 5 673	- 4 696	- 10 034

Note 12. **Intangible fixed assets**

A – Changes in intangible fixed assets at September 30, 2016

in thousands of euros	Start	Business combination	Acquisitions Allocations	Sales Reversals	Other transactions	Translation differential	30.09.2016
Goodwill	33 783						33 783
Study costs	4 151						4 151
Concessions, patents	7 994		768	39	200	-17	8 906
Other items	418						418
Other intangible fixed assets	1 418				-1 154		264
Gross value	47 764	0	768	39	-954	-17	47 522
Goodwill	4 546						4 546
Study costs	3 427		531		10		3 968
Concessions, patents	3 769		2 348	39	191	-8	6 261
Other items	302						302
Other intangible fixed assets	431		18		-201		248
Amortization and depreciation	12 475	0	2 897	39	0	-8	15 325
Net values	35 289	0	-2 129	0	-954	-9	32 197

NB: For goodwill, the €4,546k amount corresponds to the impairment recorded after the impairment tests described in paragraph B1 were carried out.

Note 13. Tangible fixed assets

A – tangible fixed assets at September 30, 2016

in thousands of euros	Start	Business comb.	Acquisitions Allocations	Sales Reversals	Other transactions	Translation differential	30.09.2016
Land	10 036		1 175	103	173	-66	11 215
Buildings	145 866		2 467	62	2 188	-1 476	148 983
Tooling equipment	223 773		23 253	6 313	2 774	-2 994	240 493
Other tangible fixed assets	20 678		3 059	723		-182	22 832
Assets under construction and Advances	3 857		10 231		-4 181	-118	9 789
Gross value	404 210	0	40 185	7 201	954	-4 836	433 312
Land	627		73				700
Buildings	70 439		4 909	376		-595	74 377
Tooling equipment	149 983		12 221	3 760		-1 967	156 477
Other tangible fixed assets	15 188		1 716	814		-118	15 972
Depreciation	236 237	0	18 919	4 950	0	-2 680	247 526
Net value	167 973	0	21 266	2 251	954	-2 156	185 786

The capitalized production totalled 240 thousand euros on 30/09/16.

No borrowing costs were included in the asset cost during the period, nor for the previous financial year.

in thousands of euros	30.09.2016			30.09.2015	30.09.2014
	Gross	Deprec. And provisions	Net	Net	Net
Land	11 215	700	10 515	9 409	7 771
Buildings	148 983	74 377	74 606	75 427	64 636
Tooling equipment	240 493	156 477	84 016	73 790	51 212
Other tangible fixed assets	22 832	15 972	6 860	5 490	6 110
Assets under construction and Advances	9 789	-	9 789	3 857	3 950
Total	433 312	247 526	185 786	167 973	133 679
Of which assets covered by a finance lease	35 148	8 891	26 257	8 946	13 845

B – Loss of value

in thousands of euros	01.10.2015	Depreciation	Write-off	Translation differential	30.09.2016
Tooling equipment	5 070	296	152	- 35	5 179
Industrial buildings	5 095		363		4 732
Total	10 165	296	515	- 35	9 911

The Group has conducted impairment tests on all injection presses over 10 years old, as well as on certain machinery and assets intended to be sold.

Note 14. Financial assets

A – Financial assets

in thousands of euros	30.09.2016			30.09.2015	30.09.2014
	Gross	Provision	Net	Net	Net
Investments in equity affiliates	3 590	-	3 590	1 584	1 952
Other financial assets					
Shares	1 229	1 218	11	12	12
Borrowings			-	2	30
Other financial assets	689		689	657	293
Financial assets intended to be sold			-	3 168	3 507
Total other financial assets	1 918	1 218	700	3 839	3 842

Investments in equity affiliates concern the subsidiary BIA Slovakia SRO, specializing in the chroming of plastic parts, 40% of whose capital is held by the PLASTIVALOIRE Group.

The summary financial information is as follows at September 30, 2016:

In thousands of euros	30.09.2016	30.09.2015
Non-current assets	15 883	12 483
Current assets	4 698	3 281
Total assets	20 581	15 764
Equity	8 974	3 959
Non-current liabilities	9 400	10 550
Current liabilities	2 207	1 255
Total liabilities	20 581	15 764
PVL's share in the equity	3 590	1 584
Turnover	7 084	4 422
Net income	715	- 921
PVL's share in the income	286	- 379

B – Breakdown of financial assets by type and category

in thousands of euros	30.09.2016		30.09.2015		30.09.2014	
	Current	Non-current	Current	Non-current	Current	Non-current
Fixed securities		11		12		411
Loans to employees				2		30
Financial assets			709	2 459	747	2 360
Other financial assets		689		657		294
Total	-	700	709	3 130	747	3 095

Note 15. Inventory

Assets in process	5 226	82	5 144	10 847	3 758
Finished products	27 654	2 251	25 403	17 012	12 813
Goods	57		57	149	46
TOTAL INVENTORY AND IN PROCESS	62 410	5 161	57 249	57 785	43 886

Note 16. Accounts receivable

The percentage of the receivables that is individually impaired is indicated below:

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Gross values	176 349	156 601	120 303
Impairment	- 945	- 885	- 1 124
Net values	175 404	155 716	119 179
<i>Due in less than one year</i>	<i>175 404</i>	<i>155 716</i>	<i>119 179</i>

Trade receivable securitization agreements primarily entered into in France and England enabled a portion of the customer line items of certain subsidiaries to be transferred to Natixis Factor. These agreements are not deconsolidating in light of the derecognition requirements listed in paragraphs 15 - 37 of IAS 39 in the absence of a transfer of the risks and benefits related to ownership of these receivables; as a result, the Group has decided to reclassify these transferred receivables to customer accounts receivable; they were previously recorded under other receivables.

The amount transferred as of 30/09/2016 totalled 35,823 thousand euros; as of 30/09/2015, it was 26,901 thousand euros.

At September 30, 2016, a certain number of receivables becoming due had not yet been paid by customers, but should not be considered doubtful. The amounts at September 30, 2016, analysed by period, totalled 27,571 thousand euros and are broken down as follows:

in thousands of euros	30.09.2016
Less than 3 months	18 147
3 - 6 months	4 453
6 months - 1 year	3 084
Over 1 year	1 887
Total	27 571

Note 17. Other current assets

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Advances and prepayments	1 171	1 145	661
Social security receivables	410	622	230
Tax receivables	17 289	13 871	13 790
Other receivables	5 375	1 553	4 037
Prepaid expenses	4 196	3 445	6 329
TOTAL RECEIVABLES	28 441	20 636	25 047

Note 18. Cash and cash equivalents

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Cash equivalents: money market funds and other securities	8 545	15 015	3 596
Current accounts and liquidities	35 666	36 401	32 377
Total cash assets	44 211	51 416	35 973
Current bank overdrafts	- 6 054	- 10 156	- 9 403
TOTAL NET CASH	38 157	41 260	26 570

Cash instruments ranked by degree of liquidity:

Type	Amount	Category
Bank accounts	35 666	Level 1
UCITS	68	Level 1
Term deposits	8 477	Level 1
Bonds	-	Level 1
Total	44 211	

Note 19. Equity

A – Share capital

The shares' par value is 2 euros.

On September 30, 2016, the number of shares outstanding was as follows:

No. Shares	30.09.2016	30.09.2015	30.09.2014
Number of shares issued and authorized	2 765 700	2 765 700	2 765 700
Treasury shares	4 067	15 381	14 335
Number of shares outstanding	2 761 633	2 750 319	2 751 365

The Group's capital management objectives are:

- the Group's continued operation, with the aim of providing a return on capital to the investors and benefits to other stakeholders, and
- to provide the shareholders with satisfactory profitability by adjusting the prices for products and services in accordance with the risk level.

The Group manages its capital structure and makes the necessary adjustments based on the economic circumstances and the risk characteristics of its major assets. In the aim of maintaining or adjusting its capital structure, the Group may pay dividends to the shareholders, return capital to the shareholders, issue new shares, or purchase or sell its own shares.

Operations involving the capital are shown separately on the statement of changes in consolidated equity.

B – Treasury shares

The General Meeting of March 21, 2016 authorizes the Board of Directors to allocate the shares held by PLASTIVALOIRE, essentially for market-making purposes.

in thousands	30.09.2016	30.09.2015	30.09.2014
Value of treasury shares	397	1 053	256
Number of treasury shares	4	15	14

C – Detail of the "Accumulated consolidated reserves" section of the "Changes in Group equity" table

in thousands of euros	Actuarial differences recognized in equity	TREASURY SHARES	Adjustments to the fair value of tangible fixed assets	Retained earnings and other reserves	Group share
30/09/2015	1 424	- 846	38 143	114 811	153 532
Change from the 2015-2016 financial year	- 941	449	1 520	29 996	31 024
30/09/2016	483	- 397	39 663	144 807	184 556

D – Distribution

The Combined General Shareholders' Meeting of March 21, 2016 approved a dividend payment of 1.4 euros per share, for a total of 3,872 thousand euros.

Note 20. **Current and non-current provisions**

A – Provisions at September 30, 2016

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Non-current provisions			
Provisions for pension commitments	7 218	4 934	6 361
Current provisions			
Provisions for litigation	6 231	3 978	2 916
Other	412	420	183
TOTAL CURRENT PROVISIONS	6 643	4 398	3 099

All known litigation involving PLASTIVALOIRE or the companies in the Group is examined at year-end. After advice from counsel, the necessary provisions are recognized to cover the estimated risks.

B – Non-current provisions: pension commitments and other long-term employee benefits

1. Description of plans

In addition to the pension benefits provided for by the laws in force in the countries in which the companies employing them are located, the Group's employees receive retirement benefits.

2. Assumptions used

The amounts of these additional commitments were determined on the basis of an actuarial evaluation used for the companies in France, the country accounting for most of the Group's obligations, including:

- an assumption concerning the date of retirement, between 62 and 65 years old for French employees;
- the probability of active employees leaving the group before retirement age;
- mortality assumptions;
- estimated salary increases before the corresponding retirement, based on inflation assumptions and individual salary increases;
- a financial discount rate and an inflation rate (or a rate differential).

The main actuarial assumptions used in the last 3 financial years to evaluate the pension commitments are as follows:

in percentages	Discount rate (1)	Salary increases
2016	0,80%	2,00%
2015	2,08%	2,00%
2014	1,92%	2,00%

(1) The rate used to value the Group's commitments is the iBoxx 10-year rate

3. Changes in provisions over the period

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Starting balance	4 934	6 361	4 262
Consolidation scope change and restructuring			
Provisions	2 922	654	2 137
Used writeoffs	- 19		
Unused writeoffs	- 619	- 2 081	- 38
End balance	7 218	4 934	6 361
Actuarial gains or losses included in the comprehensive income	- 1 414	1 518	- 1 169
Net expense for the year	870	91	930

4. Net expense for the year

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Cost of services rendered	1 627	881	956
Actuarial gains or losses			- 388
Financial expense	- 119	- 227	516
Claims paid	- 19		- 97
Unused writeoffs	- 619	- 563	- 57
Net expense for the year	870	91	930

C – Changes in current provisions

in thousands of euros	Provision for restructuring costs and workforce adaptation	Provisions for expenses and litigation	Total
Start	-	4 390	4 390
Scope change			-
Provisions		3 467	3 467
Used writeoffs		1 212	1 212
Unused writeoffs			-
Translation differential and other transactions		- 2	- 2
End	-	6 643	6 643

Note 21. Financial liabilities

A – Breakdown by type

in thousands of euros	30.09.2016		30.09.2015		30.09.2014	
	Non-current	Current	Non-current	Current	Non-current	Current
Borrowings from credit establishments	74 350	23 963	84 349	26 756	25 463	15 720
Leases	13 827	6 283	11 155	5 096	7 254	2 869
Employee participation	63	117	28	133	15	126
Factoring	-	6 050	-	10 152	-	9 399
Other interest-bearing debts	245	15 525	462	7 181	10 487	461
Financial liabilities	88 485	51 938	95 994	49 318	43 219	28 575

B – Securitization and factoring agreement

PLASTIVALOIRE secures part of its funding through accounts receivable assignment agreements. These agreements are tacitly renewed on an annual basis.

These agreements are not deconsolidating in light of the derecognition requirements listed in paragraphs 15 - 37 of IAS 39 in the absence of a transfer of the risks and benefits related to ownership of these receivables.

As of September 30, 2016, the funding resources corresponding to cash received for receivable assignments totalled 22,044 thousand euros, against 15,167 thousand euros at September 30, 2015.

(in thousands of euros)	30/09/2016	30/09/2015	30/09/2014
Financing used	11 491	20 279	18 057
Guarantee reserve recorded against the financial debt	-4 169	-5 112	-4 350
Funding received against assignments	7 322	15 167	13 706
Receivables assigned and removed from the assets			
Financing available	23 476	11 265	11 991

C – Breakdown by maturity (capital)

in thousands of euros	Total	1 year	2 years	3 years	4 years	5 years	over 5 years
Borrowings from credit establishments	98 313	23 963	18 974	14 950	13 801	12 878	13 747
Leases	20 110	6 283	4 841	4 075	2 835	1 354	722
Employee participation	180	117		3	28	29	3
Factoring	6 050	6 050					
Other debts	15 770	15 525	245				
Financial liabilities	140 423	51 938	24 060	19 028	16 664	14 261	14 472

D – Analysis of financial debts

Breakdown by currency

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
euro	132 071	136 411	61 952
GBP	4 088	2 541	2 734
Dinar	756	1 450	2 382
other	3 508	4 910	4 726
Total	140 423	145 312	71 794

Breakdown by rate

in thousands of euros	30.09.2016	%	30.09.2015	%	30.09.2014	%
Fixed rate	133 108	94,8%	132 846	91,4%	56 849	79,2%
Variable rate	7 315	5,2%	12 466	8,6%	14 945	20,8%
Total	140 423	100,0%	145 312	100,0%	71 794	100,0%

Note 22. Other current liabilities

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Customer advances	32 066	27 267	6 246
Social security and tax liabilities	45 097	41 852	41 971
Fixed-asset suppliers	562	440	1 103
Other debts	4 858	12 466	5 042
Deferred income	6 675	5 836	5 484
Total other current liabilities	89 258	87 861	59 846

Note 23. Management of financial risks

This information can be found in chapter 1: Presentation of the Group, in note 2 of point V: Risk factors.

Note 24. Financial instruments recorded on the balance sheet

A – Assumptions and methods used

Items recorded at fair value through the income statement and hedging derivatives are measured using a valuation technique which refers to interbank market rates (Euribor, etc.) and exchange rates set daily by the European Central Bank.

Financial debts are primarily recorded at amortized cost using the effective interest method.

The fair value of receivables and supplier debts for the industrial and commercial activities is incorporated into their balance sheet value, in view of their very short maturities.

B – Financial instruments recorded on the balance sheet

in thousands of euros	Carrying value	Fair value	Fair value through income	Fair value through equity	Assets available for sale	Loans and receivables	Debt at amortized cost
Other equity							
Other non-current	700	700			-	700	
Trade and Other	139 581	139 581				139 581	
Miscellaneous receivables	64 264	64 264				64 264	
Foreign Interest rate							
Cash and Assets	44 211	44 211	44 211				
ASSETS	248 756	248 756	44 211	-	-	204 545	-
Non-current	88 585	88 585					88 585
Current	51 834	51 834					51 834
Customer	32 066	32 066					32 066
Trade	65 161	65 161					65 161
Social security	45 778	45 778					45 778
Miscellaneous	12 099	12 099					12 099
Foreign Interest rate							
LIABILITIES	295 523	295 523	-	-	-	-	295 523

The bridge table of impairments and value losses recorded for each financial asset class is as follows at September 30, 2016:

in thousands of euros	Balance on 30/09/2015	Allocations	Losses charged	Writeoffs	Other transactions	Balance on 30/09/2016
Impairment of trade receivables	885	210		147	- 3	945
Impairment of other receivables	22			22		-
Financial investments	820	1				821
Total	1 727	211	-	169	- 3	1 766

Impairment of financial investments primarily consists of €800k invested by our Portuguese subsidiary in the bank Esperito Santo, which has declared bankruptcy; although its assets have been taken over by Novo Banco, there is uncertainty about the recovery of this investment.

Note 25. Associated parties

Transactions with associated parties namely consist of transactions with:

- the Group's key directors - defined as the persons in charge of the planning, management and control of the Group's activities, including the members of the Board of Directors and their close family members;
- entities controlled by the Group;
- entities jointly controlled or held by one of the Group's directors.

A – Directors' and administrators' compensation

1. Short-term employee benefits

Name	Position	30.09.2016	30.09.2015	30.09.2014
Patrick Findeling	President of the Board of Directors	651 397	610 601	518 403
Vanessa Belinguier	Director	115 927	107 447	89 916
John Findeling	Director	88 345	81 031	71 208
Total		855 669	799 079	679 527

2. Other benefits

No post-employment or long-term benefits or end-of-career compensation was paid or recorded as an expense for the period. No commitments are provisioned.

The company is not concerned by share-based payments.

B – Other commitments or transactions

Plastiques du Val de Loire has not stood surety for and has not entered into any agreements with associated parties not included in the consolidation perimeter.

Note 26. **Off-balance-sheet commitments and contingent liabilities**

PLASTIVALOIRE enters into a certain number of commitments in the course of its business. Off-balance-sheet commitments and contingent liabilities are listed below:

A – Current operations

The Group has committed to the following amounts:

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Guarantees given for financial debts:			
hypothèques sur différents immeubles du groupe	-	-	-
Guaranteed debts, pledges			408
Commandes fermes d'immobilisations corporelles et incorporelles	ns	ns	ns
Interest rate swap	-	-	-
TOTAL	-	-	408

B – Non-current operations

1. Capital gains on which tax has been deferred

A merger conducted in 2001 between the companies PLASTI FL and C.T.M generated a merger gain of €1,486k for which the company PLASTIQUES DU VAL DE LOIRE opted for the special capital gains taxation regime under Article 210-A of the General Tax Code.

A second merger conducted in 2001/2002 between the companies MAMERS INJECTION and DREUX INJECTION generated a merger gain of € 4,775k, for which PLASTIQUES DU VAL DE LOIRE once again opted for the special taxation regime under Article 210-A of the General Tax Code.

An acquisition conducted in 2011 towards the company PARFIB generated a capital gain of €2,300k for which PLASTIQUES DU VAL DE LOIRE opted for the special capital gains taxation regime under Article 210-A of the General Tax Code.

C – Contingent Liabilities

No contingent liabilities were recorded.

Note 27. **Consolidated companies**

Fully consolidated companies (French subsidiaries)

Legal entity	SIRET no.	Headquarters	% stake	Consolidation method
Consolidating parent company				
S.A. Plastiques du Val de Loire (P.V.L.)	644.800.161	Zone Industrielle Nord Les Vallées 37130 Langeais		parent company
French subsidiaries				
SAS Sablé Injection (S.I.)	351.440.177	ZA du pont 72300 Sablé sur Sarthe	99,99%	Full consolidation
SAS Ouest Injection (O.I.)	411.746.977	ZI du Saosnois 72600 Mamers	98,12%	Full consolidation
SAS Ere Plastique (E.R.E.)	343.725.630	Zac des Tribouillières 38460 Crémieu	99,97%	Full consolidation
SAS Creutzwald Injection (C.I.)	424 575 348	ZI Lourdes 57150 Creutzwald	99,99%	Full consolidation
SAS Amiens Injection (A.I.)	423.982.552	Rue de la croix de pierre 80015 Amiens	99,99%	Full consolidation
SAS B.A.P. BELLEME	516.028.662	ZI route du Mans 61130 Bellême	100,00%	Full consolidation
SAS Automotive Plastics Rochefort (A.P.R.)	513.028.647	ZI du Canal des Sœur 23 Av. André Dulin 17301 Rochefort	100,00%	Full consolidation
SAS B.A.P. Voujeaucourt	513.028.613	ZAC de la Cray 25420 Voujeaucourt	100,00%	Full consolidation
SCI MG	388.363.500	Zac des Tribouillières 38460 Crémieu	99,97%	Full consolidation
B.A.P. HOLDING	417.639.671	19, Rue du Jura 39179 Saint Lupicin	100,00%	Full consolidation
B.A.P.	775.597.784	19, Rue du Jura 39179 Saint Lupicin	99,95%	Full consolidation
B.A.P. JURA SAS	351.909.536	19, Rue du Jura 39179 Saint Lupicin	99,95%	Full consolidation
B.A.P. MORTEAU SAS	352.690.690	13, Rue du Maréchal Leclerc 25500 Morteau	99,95%	Full consolidation
B.A.P. CHALEZEULES SAS	349.565.986	Rue du Valset - ZI de Thise 25220 Chalezeule	99,95%	Full consolidation
B.A.P. SAINT MARCELIN SAS	310.623.269	ZI la Gloriette 38160 Saint Marcellin	99,95%	Full consolidation

Fully consolidated companies (foreign subsidiaries)

Legal entity	Headquarters	% stake	Consolidation method
Polish subsidiaries			
SP Fabryka Plastikow Kwidzyn (F.P.K.)	UL. Zielna 13, 82-500 Kwidzyn - Pologne	85,00%	Full consolidation
SP Fabryka Plastikow Gliwice (F.P.G.)	UL. Wyczolkowskiego 20A, 44-109 Gliwice - Pologne	85,00%	Full consolidation
Romanian subsidiary			
SA Elbromplast (ELB)	Str garii n1 Timisoara - Roumanie	99,60%	Full consolidation
Spanish subsidiary			
SA Cardonaplast	C/Dels Forn, 4-5 pol ind la corta 08261 Cardona	100,00%	Full consolidation
Tunisian subsidiaries			
Tunisie plastiques systèmes (TPS)	ZI Sidi Abdelhamid 4061 Sousse	59,97%	Full consolidation
Injection Plastiques Systèmes (IPS)	ZI Sidi Abdelhamid 4061 Sousse	59,97%	Full consolidation
Hungarian subsidiary			
Duna Injection Real Estate (DRE)	8000 Székesfehérvár, Holland fasor 4	85,00%	Full consolidation
Slovakian subsidiaries			
SAS B.A.P. DOLNY KUBIN	ul Nadrazna 1387/65 920 41 Leopoldov	100,00%	Full consolidation
B.A.P. NITRA	Priemyselny Park Cab Okr Nitra 95124 Nove Sady	99,95%	Full consolidation
British subsidiary			
B.A.P. NORTHAMPTON	North Portway Close - Round Spinney Northhamshire NN3 8RE	99,95%	Full consolidation
Portuguese subsidiary			
B.A.P. MARHINA GRANDE	Zona Industrial do Casal da Lebre 2431 Marinha Grande	97,70%	Full consolidation
German subsidiaries			
BAP GMBH	Westhafentower, Westhafenplatz1 60327 franckfurt	100,00%	Full consolidation
Plastivaloire Germany GMBH	Lindenstockstrasse 29 57299 Burbach-Wahlbach	100,00%	Full consolidation
KARL HESS GMBH & Co KG	Lindenstockstrasse 29 57299 Burbach-Wahlbach	100,00%	Full consolidation
Turkish subsidiary			
OTOSİMA PLASTİK SANAYİ VE TİCARET ANONİM ŞİRKETİ	Kayapa Sanayi Bölgesi Mah. Kayapa Sanayi Blv. No:11 Nilüfer - Bursa	100,00%	Full consolidation

Companies consolidated using the equity method

Legal entity	Headquarters	% stake	Consolidation method
BIA Plastic and Plating technology slovakia SRO	CAB 280, 95124 NOVE SADY	40,00%	Equity method

Note 28. STATUTORY AUDITORS' FEES

Audit	Grant Thornton				Alliance Audit Expertise & Conseil				Other agents	
	Amount		%		Amount		%		Amount	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Statutory Auditors' work, certification, examination of the individual and consolidated financial statements										
Issuer	79	78	21%	19%	78	78	40%	42%		
Subsidiaries	256	324	67%	79%	113	108	58%	58%	146	141
Related assignments	46	10	12%	2%	5		3%	0%		-
Subtotal	381	412	100%	100%	196	186	100%	100%	146	141
Other services, such as legal, tax, social security									29	
Information technology										
Internal audit										
Other										
TOTAL	381	412	100%	100%	196	186	100%	100%	175	141

VII THE STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Dear shareholders,

In accordance with the assignment entrusted to us by your General Meetings, we present our report for the year ended September 30, 2016 relating to:

- the audit of the consolidated financial statements of the company Plastiques du Val de Loire, as attached hereto,
- the justification of our assessments,
- the specific verification required by law.

The consolidated financial statements were prepared by the Board of Directors. It is our responsibility to express an opinion on these consolidated financial statements on the basis of our audit.

1 Opinion on the consolidated financial statements

We have conducted our audit in accordance with the professional standards applicable in France; these standards require due diligence to be practiced to obtain reasonable assurance that the consolidated financial statements contain no significant anomalies. An audit consists of examining, on a test basis or through other selection methods, the evidence supporting the amounts and information given in the consolidated financial statements. It also consists of assessing the accounting principles used, the significant estimates made and the overall presentation of the financial statements. We believe that the evidence we have gathered provides a reasonable and sufficient basis for our opinion.

We certify that the year's consolidated financial statements, in light of the IFRS standard as adopted in the European Union, give a true and fair view of the financial position and results of all the persons and entities within the scope of consolidation.

2 Justification of assessments

Pursuant to Article L. 823-9 of the Commercial Code concerning the justification of our assessments, we bring to your attention the following information:

Note 11 of the appendix, "Goodwill", presents the parameters applied to the impairment tests performed on the goodwill and the results obtained.

On the basis of the information provided to us, our work consisted of assessing the reasonableness of the information and parameters used to determine the forecasted future discounted cash flow, controlling the consistency of the assumptions used for the budgetary projections made, and checking that the notes in the appendix provide appropriate disclosure.

The assessments made are part of our audit process for the consolidated financial statements taken as a whole, and therefore contributed to the formation of our opinion as expressed in the first section of this report.

3 Specific verification

We have also, in accordance with the professional standards applicable in France, conducted the specific verification, as required by law, of the information on the Group provided in the management report.

We have no observations to make concerning their sincerity and their consistency with the consolidated financial statements.

Saint-Cyr-Sur-Loire and Paris, January 31, 2017,

The Statutory Auditors

Grant Thornton
The French member of Grant Thornton
International

Alliance Audit Expertise
et Conseil

Gilles Hengoat
Partner

Vincent Joste
Partner

**6 CORPORATE FINANCIAL STATEMENTS AND
MANAGEMENT REPORT FOR THE COMPANY
PLASTIQUES DU VAL DE LOIRE**



I Plastiques du Val de Loire Management Report

Note 1. COMMENTS ON THE CORPORATE FINANCIAL STATEMENTS

A – KEY FIGURES, COMMENTS

Plastiques du Val de Loire, a holding company, directly or indirectly provides services to the Group's companies in the financial, accounting, IT and general and administrative management domains. In 2016, the turnover for this activity represented 13.7 million euros, up from 13.1 million euros in 2015, due to the continued growth of the Group's activities; since 2011, the parent company has played a pivotal role in the re invoicing of service provisions to the Group's entities, and now centralizes cash and financing transactions.

Plastiques du Val de Loire also has a research and development department; this activity generated 16.4 million euros of turnover in 2015-2016.

The historic Langeais factory is also part of this entity; the turnover totalled 26.5 million euros in 2015-2016.

The important operating data for the last three financial years can be summarized as follows (in thousands of euros)

	Turnover	Operating income	Financial result	Current result before tax	Net result
2013/2014	55 588	-1 366	7 006	5 640	6 373
2014/2015	54 281	-1 613	4 466	2 854	4 246
2015/2016	56 565	59	8 042	8 100	8 946

The business volume increased slightly over the financial year (+4.21%).

Service provisions increased slightly more than goods production, representing a larger portion of the turnover.

The total operating revenue decreased slightly (-0.51%).

The operating expense level is even lower (-3.17%), leading to a positive impact on operating profitability.

The operating income is up +€59k, compared to -€1,613k in the previous year.

The financial result is positive, at €8,042k. Its revenue includes dividends collected from subsidiaries, totalling €7,281k, and financial revenue totalling €1,731k.

Its expenses include €1,760k in interest on loans, a 32.59% increase.

Impacted by revenue related to capital transactions, the extraordinary income decreased to €680k.

The effects of €165k of negative tax in relation to fiscal consolidation led to the recording of a net income of €8,946k, more than double that of the previous year.

Equity, including the effects of the dividend pay-out conducted in March 2016, increased by €5,089k to nearly €65m.

The debt ratio decreased slightly (-6.91%).

B – ACTIVITIES OF SUBSIDIARIES

The 2015-2016 activities and results of the Company's subsidiaries are the subject of a detailed analysis as part of the examination of the consolidated financial statements.

The 2015-2016 financial year was marked by the following events:

- Setting up of a factory in San Luis Potosi, Mexico, which is scheduled to start up in the 1st quarter of 2017.
- Construction of a 2nd chroming line in the BIA factory in Slovakia

C – FUTURE PROSPECTS AND EVENTS OCCURRING SINCE THE ACCOUNTING DATE

No major events have taken place since September 30, 2016, the company and the Group of which it is the holding company having continued to forge their way on a comparable basis.

The 2016-2017 financial year offers good visibility thanks to order books with satisfactory volumes.

Over the current financial year, the company expects its business to grow not only with regard to the services offered to the entities of the Group of which it is the holding company, but also in terms of the services offered by its research and development department, as industrial production is also expected to see an upward trend.

The subsidiaries' expected turnover levels are also encouraging, with continued growth in the automotive sector, and the ability of the entities specializing in industrial and consumer activities to repeat past performance permits us to forecast positive results.

The Group forecasts total turnover for 2016-2017 of over €600m with an EBITDA margin target remaining around 12%, combined with a reduction in its debt ratio.

Plastiques du Val de Loire continues to examine European external growth files with the aim of strategically strengthening its positions and consolidating its sector diversification.

Internal business growth in Mexico is in keeping with the schedule, with the first significant contribution to the turnover still being forecasted for 2017-2018.

Measures should also be taken to simplify the Group's operating mode for greater fluidity and greater orderer satisfaction.

D – NON TAX DEDUCTIBLE EXPENSES

In accordance with Article 223 quater of the General Tax Code, it is specified that the expenses and charges referred to in Article 39.4 of the same Code total €82,397; the expenses not qualifying as deductible from the taxable income and the corresponding taxes total €27,465.66.

Note 2. INFORMATION ON SUPPLIER PAYMENT TERMS (in thousands of euros)

	Debts not due			Debts falling due
	Less than 30 days	30-60 days	Over 60 days	
Trade payables at 30.09.2015	3 748	2 773	155	1 875
Trade payables at 30.09.2016	4 932	2 022	118	796

Note 3. TREASURY SHARES

None of the shares issued by the company fall under the concept of treasury shares, as none of the companies controlled by PLASTIQUES DU VAL DE LOIRE have a stake in its share capital.

Note 4. REGULATED AGREEMENTS

The following agreements were reported for the financial year ended September 30, 2016:

A – Directors' compensation

Director	Amount
Belinguier Vanessa	115 926 €
Findeling Jhon	88 345 €

B – Debt waiver with a better fortunes clause

Plastiques du Val de Loire agreed to waive the debts of Ouest Injection and Amiens Injection during the financial year ended September 30, 2016: the better fortunes conditions became applicable on September 30, 2016, as follows:

Companies	Amount
Amiens Injection	203 895 €
Ouest Injection	525 627 €

C – Assistance agreements made to French subsidiaries:

Company	Amount
✓ SABLE INJECTION:	542 360 €
✓ OUEST INJECTION:	437 794 €
✓ CREUTZWALD INJECTION:	590 786 €
✓ ERE PLASTIQUE:	444 525 €
✓ AMIENS INJECTION:	777 105 €
✓ BOURBON AP BELEME:	813 272 €
✓ BOURBON AP VOUJEAUCOURT:	747 885 €
✓ BOURBON AP HOLDING:	3 864 305 €
✓ BAP SA:	- €

D – Assistance agreements made to foreign subsidiaries

Companies	Amount
✓ T.P.S:	850 832 €
✓ I.P.S:	428 451 €
✓ ELBROMPLAST:	710 184 €
✓ CARDONAPLAST:	601 190 €
✓ F.P.K:	816 387 €
✓ F.P.G:	1 474 932 €
✓ BAP DK:	874 286 €
✓ KARL HESS:	340 449 €

E – Current account

Mr. Patrick Findeling, the President of the Board of Directors of the company Plastiques du Val de Loire:

- ✓ balance on September 30, 2016: €1,011k
- ✓ interest: €20k

The provisions recorded by Plastiques du Val de Loire and its subsidiaries for pensions and related expenses are presented in Chapter 5, VI, note 20 of the appendix to the consolidated financial statements.

A list of the mandates and functions performed by each officer during the 2015 financial year is detailed in chapter 3.

* * *

We hereby request that you approve the agreements described in Articles 225-38 et seq. of the Commercial Code that your auditors present to you in their special report, providing all required information pertaining thereto.

Note 5. ALLOCATION OF INCOME

In accordance with the law and our articles of association, we propose that the income for the 2015/2016 financial year be allocated as follows:

Origin

- Income for the financial year €8,945,895

Allocation

- Allocation of €3,414,113.88
to the "other reserves" item

- Allocation of €381.12
to the "regulated reserves" item

- Distribution of a dividend of €5,531,400 or €2 for each of the 2,765,700 shares

The total amount distributed, for individual shareholders, is eligible for the 40% discount provided for under Article 159-3-2° of the General Tax Code.

Unless an exemption is expressly requested by the individual shareholders and insofar as they meet the criteria required by law, revenue distributed to natural persons is subject to a mandatory source withholding at the rate of 21%.

For the previous three financial years, the dividends distributed were as follows (in €):

Financial Year	Number of shares	Total dividend (in €)	Total dividend distributed (per share) in €	Abatement Art. 158-3 2° of the General Tax Code	Real income (per share) in €
2012/2013	2.765.700	276.570	0,10	yes	0.10
2013/2014	2.765.700	3.318.840	1,20	yes	1,20
2014/2015	2.765.700	3.871.980	1,40	yes	1,20

Note 6. CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS

Mr. Claude BELINGUIER informed the company of his intention to step down from his position as director, effective on the date of the General Meeting to approve the 2015/2016 financial statements.

It is proposed that he be discharged from his duties and that two new directors be appointed, namely:

- Ms. Bernadette BELLEVILLE, born August 19, 1949 in NOTRE DAME D'OE, residing at 119 rue Saint Leger in JOUE LES TOURS (37)
- Ms. Jeannie CONSTANT, born May 5, 1947 in VILLAINES LES ROCHERS (37), residing at 2 quai Malraux in TOURS (37)

for the remaining duration of the directors' current mandates, until the 2020 General Meeting to approve the previous year's financial statements.

Note 7. AUTHORIZATION TO BE GRANTED FOR THE COMPANY TO BUY BACK ITS OWN SHARES

We propose that, at the next General Meeting, the Board of Directors be granted, for an eighteen-month period, the powers required to have the company buy back its own shares, in one or multiple instances at the times it deems fit, up to 10% of the number of shares making up the share capital, adjusted if necessary to take into account any capital increases or reductions which may take place during the program.

This authorization would terminate the authorization granted to the Board of Directors by the General Meeting of March 21, 2016.

These acquisitions could be performed in order to:

- Support the secondary market or the liquidity of the stock via an investment services provider under a liquidity agreement in compliance with the AMAFI code of ethics, as recognized by the AMF,

- Keep the shares purchased and subsequently issue them in exchange or as payment for external growth operations, it being specified that shares acquired for this purpose may not exceed 5% of the company's capital,
- Cover option plans to purchase shares and other forms of allocating shares to the Group's employees and/or executive officers under the conditions and terms provided by law, namely as profit-sharing, under a company savings plan or by allocation of bonus shares,
- Cover securities conferring entitlement to company shares in accordance with current regulations,
- Cancel purchased shares, subject to authorization by the present General Shareholders' Meeting

These transactions may occur during a public offering period, in accordance with Article 232-15 of the AMF's General Regulations on the condition that the offering is paid entirely in cash and that the buybacks are part of an ongoing plan and are not liable to jeopardise the offering.

We propose that the purchase price be capped at 300 euros per share, with the maximum amount for the transaction being 82,971,000 euros.

It should be recalled that, by decision of the Extraordinary General Meeting of March 21, 2016, the Board of Directors was authorized, for a 24-month period, to cancel, at its sole option, on one or multiple occasions, within the limit of 10% of the share capital, as calculated on the day of the decision to cancel, less any shares cancelled over the previous 24 months, the shares that the company holds or may hold following buybacks conducted as part of its buyback plan, and to reduce the share capital to an appropriate extent in accordance with current laws and regulations.

The Shareholders, voting under the quorum and majority conditions of Extraordinary Meetings, will be invited to renew this authorization of the Board of Directors for a 24-month period with the same limitations.

Note 8. SHARE CAPITAL INCREASE BY INCORPORATION OF AMOUNTS DRAWN FROM THE ISSUE, MERGER AND TRANSFER PREMIUMS ACCOUNT

The Shareholders will also be invited, voting under ordinary majority conditions, to approve a capital increase by incorporation of amounts drawn from the issue, merger and transfer premiums account, totalling 14,768,600 euros, the aim of this operation being:

- To increase the share capital from 5,531,400 euros to 20,000,000 euros
- To increase the par value of the 2,765,700 shares making up the capital from 2 euros to approximately 7.23 euros
- To decrease the issue, merger and transfer premiums account from 17,843,128 euros to 3,074,528 euros.

Note 9. SPLIT OF THE PAR VALUE OF THE SHARES MAKING UP THE CAPITAL

With the aim of increasing share liquidity and making Plastiques du Val de Loire shares more accessible to individual shareholders, the Shareholders will be invited to vote on dividing the par value of each of the 2,765,700 shares currently making up the share capital by eight.

As a result, each existing share with a par value of approximately 7.23 euros (following the increase discussed in Note 8) outstanding will be exchanged for eight new shares with a par value of approximately 0.90 euros, with the same dividend rights, it being specified that the share capital will remain unchanged, at 20,000,000 euros, but will be composed of 22,125,600 shares.

This operation shall be conducted without formalities or cost to Plastiques du Val de Loire's shareholders, and will have no effect on their entitlements.

The division of the par value by eight shall take place no more than three months from the date of the General Meeting. It shall be conducted at close of trading and will become effective the next day, at market opening. On this day, the number of shares making up the capital will be multiplied by eight, and the shares will trade on the basis of the opening share price divided by eight.

As a result, you will be asked to modify Article 7 of the Articles of Association.

The operation, if it is approved, will be carried out with the support of the company CACEIS, appointed for this purpose to centralize share for share exchange transactions and maintain the company's investment accounting records.

II MISCELLANEOUS INFORMATION

Table of financial income for the last five years (in thousands of euros)

NATURE OF INFORMATION	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
I - Capital at year-end					
Share capital	5 531	5 531	5 531	5 531	5 531
Number of existing ordinary shares	2 766	2 766	2 766	2 766	2 766
Number of existing preferred non-voting shares	0	0	0	0	0
Maximum number of shares to be created	0	0	0	0	0
. By conversion of bonds	0	0	0	0	0
. Through the exercise of subscription rights	0	0	0	0	0
II. Operations and results for the year					
Pretax turnover	47 239	51 145	55 588	54 281	56 566
Income before taxes, employee profit-sharing and depreciation and provisions	-3 301	-103	5 939	4 395	10 650
Income tax	-597	-905	-486	-404	-165
Employee profit-sharing owed for the year	-	-	-		
Income after taxes, employee profit-sharing and depreciation and provisions	-5 782	2 117	6 373	4 246	8 946
Distributed income	1 659	277	3 319	3 872	(1) 5 531
III. Income per share					
Income after taxes and employee profit-sharing but before depreciation and provisions	0,98	0,29	2,32	1,73	3,91
Income after taxes, employee profit-sharing and depreciation and provisions	2,09	0,77	2,15	1,53	3,23
Dividend attributed to each share	0,60	0,10	1,20	1,40	(1) 2,00
IV. Workforce					
Average number of salaried employees during the financial year	418	404	412	388	371
Total payroll for the year	15 385	15 196	16 063	17 140	15 606
Total amount paid as social benefits for the financial year (social security, service activities etc.)	5 904	6 064	6 283	6 273	6 329

(1) Based on the proposed allocation of income that will be made to the General Meeting on March 31, 2017.

As the management report is presented within this Financial Report, this document's chapters complement the report.

Thus, the risks faced by Plastiques du Val de Loire are analysed in Chapter 1 V of this document.

The research and development activities are detailed in chapter 1 IV and the information on Plastiques du Val de Loire's approach relating to the social and environmental impact of its activity and its societal commitments to sustainable development are also detailed in the same chapter and in chapter 2.

The current capital structures, the thresholds crossed and employee profit-sharing are detailed in chapter 7. Other information on the capital (including the table of financial authorizations and their use over the 2015/2016 financial year, changes in capital, and potential capital) is also presented in chapter 7.

Information on compensation (fixed, variable, special) and non-cash benefits awarded to the executive officers and auditors is presented in Chapter 5 VI Note 25.

III Balance sheet

In thousands of euros

ASSETS	30.09.2016	30.09.2015	30.09.2014
Intangible fixed assets	1 254	2 035	1 425
Tangible fixed assets	9 197	8 988	9 819
Equity securities	66 356	65 808	44 754
Other financial assets	47 304	53 762	9 880
FIXED ASSETS	124 111	130 593	65 878
Inventory and works in progress	3 277	3 156	3 834
Trade receivables	18 329	19 041	22 988
Miscellaneous receivables	8 808	6 566	5 788
Investment securities	3	3	4
Liquidity	4 275	484	2 520
Translation differences on assets	0	0	25
CURRENT ASSETS	34 692	29 250	35 159
TOTAL ASSETS	158 803	159 843	101 037
LIABILITIES			
Capital	5 531	5 531	5 531
Premiums	17 843	17 843	17 843
Reserves	31 269	30 887	27 819
Income	8 946	4 246	6 373
Investment subsidies	140	76	76
Regulated reserve	951	1 009	1 124
Equity	64 680	59 592	58 766
Provision for risks and expenses	3 239	2 620	2 788
Financial debt	72 967	80 035	20 773
Operating debt	7 868	8 552	9 868
Miscellaneous debt	10 049	9 044	7 317
Debt	90 884	97 631	37 958
TOTAL LIABILITIES	158 803	159 843	99 512

IV Profit and loss account

in thousands of euros	30.09.2016	30.09.2015	30.09.2014
Operating revenue			
Turnover	56 565	54 281	55 588
Other operating revenue	4 042	6 635	4 239
Total operating revenue	60 607	60 916	59 827
Operating expenses			
Raw material purchases	22 393	22 333	24 596
Inventory change	-173	341	0
Other external purchases and expenses	11 712	13 060	10 963
Taxes and duties	1 528	1 512	1 497
Wages and salaries	15 606	17 140	16 063
Social security charges	6 329	6 273	6 283
Depreciation and provisions	2 905	1 501	1 791
Other expenses	248	369	0
Total operating expenses	60 548	62 529	61 193
Operating income	59	-1 613	-1 366
Financial result	8 042	4 466	7 006
Current pretax result	8 101	2 853	5 640
Exceptional result	680	989	247
Result before income taxes and profit-sharing	8 781	3 842	5 887
Corporate income tax	-165	-404	-486
Net income	8 946	4 246	6 373

V APPENDIX TO THE CORPORATE FINANCIAL STATEMENTS

Note 1. Highlights, post-balance-sheet events

A – Changes in the scope of consolidation

- **PLASTIVALOIRE Mexico**

Setting up of a factory in San Luis Potosi, Mexico, which is scheduled to start up in the 1st quarter of 2017. Creation on July 4, 2016 of PLASTIVALOIRE Mexico, with a capital of 150,000 MXN, 80% of which is held by PVL.

B – Events subsequent to the closing of the financial year

No subsequent events have taken place.

Note 2. Accounting principles and methods

A – General principles

The annual accounts are presented in accordance with current French regulations.

B – Research and development expenses

These expenses are recorded in the financial year during which they were incurred.

C – Provision for risks and expenses

Provisions for risks and expenses are liabilities whose amounts or maturities have not been precisely determined. A provision is recorded when an obligation to a third party involves a likely outflow of resources to this third party with no equivalent benefit to be expected.

D – Current and exceptional income

Revenue and expenses are classified according to whether they are related to the company's normal and habitual operations, its financial management, or exceptional operations.

Exceptional income is that whose realization is not related to the company's normal operations; it comprises all operations of this nature, including management operations and capital transactions, including operations from previous years, relating to negative asset flows, investment subsidies and events unlikely to reoccur given the company's environment.

Note 3. Balance sheet information

A – Assets

1. Intangible fixed assets - transactions during the financial year (in thousands of euros)

Heading	Start	Transfers between	Acquisitions Allocations	Writeoffs	End
Concessions, patents	3 692		360	35	4 017
Goodwill	27				27
Assets under construction	0				0
Gross values	3 719	0	360	35	4 044
Concessions, patents	1 658		1 141	35	2 764
Goodwill	27		0		27
Depreciation	1 685	0	1 141	35	2 791
Net values	2 034	0	-781	0	1 253

2. Tangible fixed assets - transactions during the financial year (in thousands of euros)

Heading	Start	Transfers between items	Acquisitions Allocations	Sales Writeoffs	End
Land	490				490
Buildings	15 833		144		15 977
Tooling equipment	12 694		1 975	2 239	12 430
Other tangible fixed assets	2 289		139	132	2 296
Assets under construction and advances	27		897	25	899
Gross values	31 333	0	3 155	2 396	32 092
Land	166		10		176
Buildings	8 950		455		9 405
Tooling equipment	11 310		395	354	11 351
Other tangible fixed assets	1 918		158	113	1 963
Depreciation	22 344	0	1 018	467	22 895
Net values	8 989	0	2 137	1 929	9 197

Intangible and tangible fixed assets are measured at their acquisition cost.

3. Tangible fixed assets – depreciation

Types of fixed assets	Mode	Duration
Buildings	Linear	10-40 years
Building fixtures and general facilities	Linear	5-10 years
Equipment and tools	Linear & regressive	2-10 years
Transportation equipment	Linear & regressive	2-7 years
Office equipment and furniture	Linear & regressive	3-10 years

4. Fixed assets under lease (in thousands of euros)

The following leases were ongoing at September 30, 2016:

Heading	Software	Buildings	Facilities - Industrial equipment	Other	Total
Original value:					
. Start of financial year	1 933	0	5 116	1 102	8 151
. New contracts	553		246	405	1 204
. Repurchases	0	0	17	583	600
. End of financial year	2 486	0	5 345	924	8 755
Depreciation:					
. Start of financial year	414	4	950	555	1 923
. Allocation for the financial year	359	0	466	151	976
. Writeoffs/repurchases	0	3	5	427	435
. End of financial year	773	1	1 411	279	2 464

5. Methods and assessments of investments

They are recorded at cost at the starting value. A provision for depreciation is made when the value in use falls below the acquisition price. This is determined using the financial criteria most suitable for each company's financial position. The criteria normally used are:

The portion of net assets owned by the Group, taking unrealized capital gains and losses and profitability prospects into account.

6. Subsidiaries and interests (in thousands of euros)

Subsidiary companies	Capital in K€	Reserves, ret. Earnings and reg. Prov before income allocation	Share of capital held (in %)	Book value of securities held		Loans and advances not yet repaid	Sureties and guarantees given by the parent company	Turnover before tax for the last financial year	Dividends
				Gross	Net				
Sablé Injection	600	3 010	100	2 126	2 126	0	41	10 205	1 500
Ouest Injection	425	654	98	5 307	3 070	1 368	123	8 112	0
Ere Plastique	704	2 190	100	8 019	5 519	0	0	8 460	393
Creutzwald Injection	160	1 691	100	152	152	745	0	9 008	500
Amiens Injection	1 646	70	100	1 599	1 599	1 872	143	13 749	0
BAP Holding	33 355	-4 291	100	46 680	46 680	3 188	10 720	9 003	0
Cardonaplast	1 633	3 024	100	2 956	2 956	0	151	11 741	0
PVL Germany	25	-2 141	100	27	27	35 952	0	0	0
Subsidiaries outside the Eurozone	(1)	(1)						(2)	
F.P.G.	465	12 930	85	413	413	0	114	33 314	1 354
Elbromplast	619	9 896	100	1 808	1 808	246	0	15 754	0
F.P.K.	2 143	17 831	85	877	877	0	0	22 948	2 027
T.P.S.	612	16 723	60	632	632	312	5	19 840	522
I.P.S.	612	6 289	60	496	496	0	0	12 713	254
Total				71 092	66 355	43 683	11 297	174 847	6 550

- (1) Translation using the rate on the closing date
(2) Translation using the average exchange rate

In application of the valuation rules for investments summarized in point 5 above, the provisions for depreciation of securities are broken down as follows:

Company	Start	Allocations	Writeoffs	End
ERE PLASTIQUE	2 873		373	2 500
OUEST INJECTION	2 440		203	2 237
CIMEST	1 217			1 217
Total	6 530	0	576	5 954

7. Other financial assets

At September 30, 2016, the company owned 4,067 of its own shares, measured at cost at 397 thousand euros. They are recorded in the "long-term investments" section in accordance with CNC Urgent Issues Committee recommendation 98-D.

Heading	Start	Increase	Decrease	End
Treasury shares - gross value	1 053	2 847	3 503	397
Provision for impairment	-208	0	-208	0
Net treasury shares	845	2 847	3 295	397
Receivables attached to holdings	54 266	5 390	11 731	47 925
Provision for impairment	-1 711	0	0	-1 711
Net receivables/holdings	52 555	5 390	11 731	46 214
Other	1 578	107	30	1 655
Net value	54 978	8 344	15 056	48 266

8. Information on affiliated companies and interests (in thousands of euros).

Heading	Amount relating to the Companies	
	Affiliates	with which the company has an equity connection
Holdings (net)	66 356	
Loans	46 468	
Trade and other receivables	7 529	
Other receivables	0	
Trade and other payables	400	
Other debts	6 467	
Other financial expenses	86	
Dividends	6 551	
Other financial revenue	1 730	

Administrative services billed to companies not fully owned:

in thousands of euros	30.09.2016	30.09.2015
BAP Bellême	813	595
BAP Voujeaucourt	748	844
BAP Dolny Kubin	874	894
Karl Hess GMBH	340	395
Total	2 775	2 728

9. Inventory - Detail (in thousands of euros)

Headings	30.09.2016			30.09.2015		
	Gross	Depreciation	Net	Gross	Depreciation	Net
Raw materials and packaging	2 535	126	2 409	2 362	123	2 239
Products in progress	204		204	226		226
Finished products	774	110	664	791	99	692
Goods			-			-
Total	3 513	236	3 277	3 379	222	3 157

10. Stocks of raw materials and supplies

Stocks of raw materials are valued using the weighted average unit cost method (excluding financial costs).

A provision for depreciation is recorded if there is a chance they will not be used.

11. Stocks of intermediate and finished products

These products are valued at the production cost including supplies consumed and direct and indirect production costs.

A provision for depreciation is recorded if there is a chance of non-sale or slow rotation.

12. Receivables

Receivables are measured at their nominal value. A provision for depreciation is applied when the inventory value is less than the book value.

13. Classification of receivables (in thousands of euros)

Headings	No more than 1 year	1 - 5 years	Over 5 years	30.09.2016	30.09.2015
Receivables attached to holdings	254	46 214		46 468	52 555
Other financial assets		835		835	1 206
Financial receivables	254	47 049	0	47 303	53 761
Gross trade receivables	18 495	12		18 507	19 299
Provisions for doubtful receivables	-166	-12		-178	-258
Net trade receivables	18 329	0	0	18 329	19 041
Receivables from the State	5 479			5 479	3 705
Other receivables	1 775			1 775	1 874
Adjustment accounts	1 553			1 553	987
Provisions for doubtful receivables				0	0
Other receivables	8 807	0	0	8 807	6 566

14. Accrued income (in thousands of euros)

The accrued income recorded at year end is broken down as follows:

Heading	30.09.2016	30.09.2015
Accrued interest on related receivables	0	0
Invoices to be drawn up	4 674	5 437
Credit notes receivable	117	193
Tax refund	0	0

15. Cash - Market risks

Cash includes short-term investments totalling €14k. The company is not significantly exposed to market risks, as the investment securities included in the assets are money market funds whose market value is close to their book value.

B – Liabilities

1. Capital

The capital is composed of 2,765,700 shares with a par value of €2. The company is listed on Euronext Paris (France) on Eurolist compartment B.

2. Tax based provisions

Heading	Initial position	Allocation	Writeoff (prov. used)	Final position
Special depreciation allowances	1 008	164	222	950
Other	0	0		0
Total	1 008	164	222	950

3. Provisions for risks and expenses

Heading	Initial position	Method change	Allocation (1)	Writeoff (1)	Final position
Retirement benefits (2)	2 345		730		3 075
Provision for exchange rate loss	0		0		0
Provision for other risks	274		25	136	163
Total	2 619	0	755	136	3 238

(1) Breakdown by category

Heading	Allocation	Writeoff
Operating income	755	74
Financial income	0	0
Exceptional income	0	62
Total	755	136

(2) The method used is based on the projected unit credit method. The following rates were used:
Salary increases: 2%
Discount rate: The rate used to measure the Group's commitments in France is 0.80%. It corresponds to the iBoxx 10-year rate excluding tobacco
Retirement age: 65 years for non-executive staff and 67 years for executive staff.

4. Increases and reductions in future tax liabilities (in thousands of euros)

Deferred taxes are broken down as follows:

Heading	Initial position	Change	Final position
Retirement benefits	782	243	1 025
Social solidarity contribution (organic)	19	-18	1
Internal sale of fixed assets	-100	35	-65
Rebate on professional tax	0	0	0
Other	0	0	0
Total	701	260	961

The rates used are those in force at year end and those that will apply when the temporary difference is expected to reverse.

This tax liability is recorded on the corporate financial statements in assets.

5. Debts - classification by term (in thousands of euros)

Heading	Max 1 year	1 - 5 years	Over 5 years	Total at 30/09/16	Total at 30/09/15
Loans from credit establishments	13 560	44 581	6 702	64 843	75 527
Misc financial debts	7 477			7 477	3 404
Bank overdrafts	491			491	959
Interest incurred	102			102	119
TOTAL	21 630	44 581	6 702	72 913	80 009

All other debts mature in less than one year.

6. Other creditors and miscellaneous debts (in thousands of euros)

Headings	30.09.2016	30.09.2015
Trade payables	7 868	8 552
Tax and social security payables	7 353	7 085
Other debts	2 442	1 605
Adjustment accounts	253	353
Other debts	10 048	9 043

7. Accruals - Detail (in thousands of euros)

The accruals at year-end are broken down as follows:

Headings	30.09.2016	30.09.2015
Interest incurred	102	119
Invoices receivable	2 413	2 095
Social security debts	4 487	4 357
Other expenses payable	1 470	1 401
Tax debts	1 396	1 325
Customer credit notes to issue	1 146	470

Note 4. Information on the profit and loss account

A – Turnover breakdown (in thousands of euros)

Heading	France	Export	30.09.2016	30.09.2015	30.09.2014
Sales of finished products	21 246	4 972	26 218	23 401	27 770
Sales of moulds and tools (1)	8 860	6 914	15 774	17 588	15 376
Sales of services (2)	8 466	6 107	14 573	13 292	12 441
Total	38 572	17 993	56 565	54 281	55 587

(1) Profit is calculated by stage of completion.

(2) Administrative services are recorded as turnover

B – Other operating income

Heading	30.09.2016	30.09.2015	30.09.2014
Inventoried products	-39	-288	112
Capitalised products	39	619	613
Provision and transfer writeoff (1)	3 851	6 102	3 437
Other income	190	202	77
Total	4 041	6 635	4 239

(1) Including transfers of raw materials to subsidiaries: 396

C – Detail of external expenses (in thousands of euros)

Headings	30.09.2016	30.09.2015	30.09.2014
NON-INVENTORIED PURCHASES	1 864	2 557	2 857
EXTERNAL SERVICES	4 809	4 607	3 536
Subcontracting	391	385	376
Lease payments	1 931	1 921	941
Rentals and rental costs	264	360	396
Maintenance and repair	1 395	1 098	975
Insurance premiums	767	801	798
Miscellaneous	61	42	50
OTHER EXTERNAL SERVICES	5 038	5 897	4 571
External staff	1 167	989	1 259
Intermediaries and fees	536	1 496	446
Advertising	271	179	269
Transportation	1 203	1 380	1 084
Travel, assignments and entertainment	1 486	1 330	1 138
Postal charges and telecommunications	233	329	271
Banking services	123	194	104
Miscellaneous	19	0	0
TOTAL	11 711	13 061	10 964

D – Depreciation expense and provisions (in thousands of euros)

Heading	30.09.2016	30.09.2015	30.09.2014
Depreciation	2 159	1 314	1 360
Provisions on current assets	13	67	-
Provisions for risks and expenses	733	121	357
Provisions for impairment of trade receivables	-	-	74
Total	2 905	1 502	1 791

E – Detail of financial income (in thousands of euros)

The financial income is the product of the following operations:

Heading	30.09.2016	30.09.2015	30.09.2014
Income from investments	1 738	1 331	287
Dividends received from subsidiaries	6 551	3 851	5 726
Repayment under better fortunes clause	730	447	397
Income from foreign exchange transactions	0	-49	-16
Allocations less provision write-offs	783	214	1 350
Debt cancellation	0	0	0
Interest expenses	-1 745	-1 310	-704
Factor financial expenses	-9	-18	-34
Other financial expenses	-6	0	0
Total	8 042	4 466	7 006

F – Exceptional income (in thousands of euros)

The exceptional income is the product of the following operations:

Heading	30.09.2016	30.09.2015	30.09.2014
Management operations	0	0	2
Capital operations	148	641	-135
Income on the sale of fixed assets	476	232	38
Depreciation allowance	58	115	286
Restructuring cost	0	0	0
Write-off of exceptional provisions	-1	0	56
Total	681	988	247

G – Income tax breakdown (in thousands of euros)

Heading	Current result	Exceptional result and holdings	Total
Pre-tax income	8 100	680	8 780
Taxes	-963		-963
Deferred taxes	225	35	260
Tax consolidation	724		724
Tax credit and other taxes	145		145
Net income	8 231	715	8 946

Method used: Tax adjustments are reclassified as current or exceptional income according to their type.

H – Group taxation regime

In France, Plastiques du Val de Loire has opted for the tax consolidation regime since October 1st, 2002. The consolidated group is comprised of the parent company and its French subsidiaries. Under this regime, the taxes in the profit and loss account are broken down as follows:

Headings	30.09.2016	30.09.2015	30.09.2014
Taxes recorded without consolidation	-559	3	248
Impact of tax consolidation	724	401	238
Recorded taxes	165	404	486

Plastiques du Val de Loire returns to its subsidiaries the taxes corresponding to the use of their tax losses.

I – Tax credit for competitiveness and employment

The tax credit for competitiveness and employment (CICE) totalled 472,770.51 euros at September 30, 2016. The Group has elected to record this tax credit as a decrease in staff expenses, crediting a sub-account to account 64 (ANC memo of February 28, 2013).

The 2015 tax credit totalled 499,939.62 euros. Its purpose is to fund improvements to companies' competitiveness. As such, it is used to fund the company's investment, training, recruiting and market prospecting activities and to replenish the working capital.

Note 5. **Commitments**

A – Commitments given (in thousands of euros)

1. Endorsements and sureties:

The company stood surety for its subsidiaries (amounts outstanding):

COMPANIES	CREDITORS	OUTSTANDING AT 30/09/2016	OUTSTANDING AT 30/09/2015
TPS	Suppliers	5	58
Elbromplast	Suppliers	0	0
FPK	Suppliers	0	0
Amiens Injection	Suppliers	143	270
Cardonaplast	Suppliers	151	200
Sablé Injection	Suppliers	41	153
Ouest Injection	Suppliers	123	42
FPG	Suppliers	114	106
Creutzwald Injection	Suppliers	0	153
Ere Plastique	Suppliers	0	21
IPS	Suppliers	0	50
BAP Belleme	Suppliers	184	348
BAP Voujeaucourt	Suppliers	241	246
BAP Nitra	Suppliers	71	103
BAP Northampton	Suppliers	0	20
	Financial organisations	2 851	2 851
BAP	Suppliers	0	6
	Financial organisations	5 000	2 500
BAP Chalezeule	Suppliers	0	6
BAP Holding	Financial organisations	10 720	9 000
BAP Morteau	Suppliers	20	334
	Financial organisations	2 300	2 300
BAP Jura	Suppliers	0	42
BAP Marhina Grande	Suppliers	20	2
BAP St Marcellin	Suppliers	164	43
BIA SK	Financial organisations	2 500	2 500
BAP DK	Suppliers	24	51
Total		24 672	21 405

2. Collateral pledged (in thousands of euros)

Type	Assets pledged	Debt amount
Mortgage charge	Real property	0
Collateral	Equipment	0

3. Lease commitments (in thousands of euros):

Headings	Software	Industrial equipment	Other fixed assets	Total
Fees paid	529	1 107	203	1 839
Fees remaining payable	1 558	2 266	581	4 405
in one year	529	981	209	1 719
in one to five years	1 029	1 285	372	2 686
in over five years				0
Residual value remaining payable	6	53	7	66
in one year	0	11	1	12
in one to five years	6	42	6	54
in over five years	0	0	0	0
Amount charged in the financial year	529	1 105	204	1 838

4. Retention of title clause:

The company applies the retention of title clause to the products it manufactures. The accounts receivable are affected for a total of 13,622 thousand euros.

In addition, the amount for the raw materials and packaging stated as inventory is subject to the retention of title clause for 2,535 thousand euros.

5. Capital gains on which tax has been deferred:

A merger conducted in 2001 between the companies PLASTI FL and C.T.M generated a merger gain of €1,486k for which the company PLASTIQUES DU VAL DE LOIRE opted for the special capital gains taxation regime under Article 210-A of the General Tax Code.

A second merger conducted in 2001/2002 between the companies MAMERS INJECTION and DREUX INJECTION generated a merger gain of € 4,775k, for which PLASTIQUES DU VAL DE LOIRE once again opted for the special taxation regime under Article 210-A of the General Tax Code.

B – Commitments received (in thousands of euros)

1. Endorsements and sureties:

Banque Populaire Val de France stood surety to the receiver of Key Plastics for the settlement of the fixed assets totalling 1,441 thousand euros.

Note 6. Miscellaneous information

A – Advances and loans granted to directors

No advances or loans were granted to the company's directors in accordance with Article L.225-43 of the Commercial Code.

B – Directors' compensation

Name	Position	30.09.2016	30.09.2015	30.09.2014
Patrick Findeling	President of the Board of Directors	651 397	610 601	518 403
Vanessa Belinguier	Director	115 927	107 447	89 916
John Findeling	Director	88 345	81 031	71 208
Total		855 669	799 079	679 527

Compensation and related benefits include fixed and variable compensation.

C – Average workforce breakdown

Workforce	30.09.2016	30.09.2015	30.09.2014
Executives	113	109	108
Supervisors and technicians	77	75	77
Employees	44	45	46
Workers	137	159	170
Total	371	388	401

VI THE STATUTORY AUDITORS' REPORT ON THE CORPORATE FINANCIAL STATEMENTS

Dear shareholders,

In accordance with the assignment entrusted to us by your General Meetings, we present our report for the year ended September 30, 2016 relating to:

- the audit of the annual financial statements of the company **Plastiques du Val de Loire**, as attached hereto,
- the justification of our assessments,
- the specific verifications and disclosures required by law.

The annual accounts were approved by the Board of Directors. It is our responsibility to express an opinion on these financial statements on the basis of our audit.

1 Opinion on the annual financial statements

We have conducted our audit in accordance with the professional standards applicable in France; these standards require due diligence to be practiced to obtain reasonable assurance that the annual financial statements contain no significant anomalies. An audit consists of examining, on a test basis or through other selection methods, the evidence supporting the amounts and information given in the annual financial statements. It also consists of assessing the accounting principles used, the significant estimates made and the overall presentation of the financial statements. We believe that the evidence we have gathered provides a reasonable and sufficient basis for our opinion.

We certify that, in light of French accounting principles, the annual financial statements are accurate and honest and present a fair view of the earnings from the operations carried out in the past financial year and of the company's assets at the end of this year.

2 Justification of assessments

In application of the provisions of Article L. 823-9 of the Commercial Code concerning the justification of our assessments, we inform you that the assessments we have conducted primarily concerned the suitability of the accounting principles applied and on the reasonability of the significant estimates used.

- Note 3.A - Paragraph 5 "*Methods and valuation of investments*" in the appendix presents the accounting rules and methods applicable to the valuation of investments in the annual financial statements.

Our work involved assessing the appropriateness of the accounting methods specified above and the information provided in the Note of the Appendix.

The assessments made fall within the framework of our audit process for the annual financial statements taken as a whole, and therefore contributed to the formation of our opinion as expressed in the first section of this report.

3 Specific verifications and information

We have also, in accordance with the professional standards applicable in France, conducted the specific verifications required by law.

We have no remarks to make with regard to the sincerity and consistency with the annual financial statements of the information presented in the Board of Directors' management report and in the documents addressed to the Shareholders concerning the financial position and the annual financial statements.

With regard to the information provided pursuant to Article L. 225-102-1 of the Commercial Code on the compensation and benefits paid to the executive officers as well as commitments granted in their favour, we have verified their consistency with the financial statements or with the data used to prepare these statements and, if applicable, with the information collected by your company from companies that control or are controlled by your company. On the basis of this work, we certify the accuracy and sincerity of this information.

In accordance with the law, we have verified that the information relating to the identities of the shareholders has been presented in the management report.

Saint-Cyr-Sur-Loire and Paris, January 31, 2017,

The Statutory Auditors

Grant Thornton
The French member of Grant Thornton International

**Alliance Audit Expertise
et Conseil**

Gilles Hengoat
Partner

Vincent Joste
Partner

VII SPECIAL STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

The Company **PLASTIQUES DU VAL DE LOIRE**

General Meeting called to approve the accounts for the financial year ended September 30, 2016

Dear shareholders,

In our capacity as statutory auditors for your company, we present you with our report on the regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the nature, essential terms and grounds justifying the interest for the company of the agreements of which we have been informed or that we have identified during our assignment, without having to express an opinion on their usefulness or appropriateness or to look for the existence of other agreements. It is your responsibility, in accordance with Article R 225-31 of the Commercial Code, to assess the interest for the company of concluding these agreements for the purpose of approving them.

In addition, it is our responsibility, if applicable, to provide to you the information specified in Article R 225-31 of the Commercial Code relating to the execution, over the past financial year, of the agreements already approved by the General Meeting.

We have conducted our review in accordance with the professional standards issued by the Compagnie Nationale des Commissaires aux Comptes relating to this assignment. These standards require us to verify the consistency of the information provided to us with the source documents.

Note 1. Agreements submitted for approval to the General Meeting

Pursuant to Article L. 225-40 of the Commercial Code, we have been informed of the following agreements and commitments, which were subject to prior authorization by the Board of Directors.

A – Debt waiver with a better fortunes clause

Persons involved:

Mr. Patrick Findeling, President of the Board of Directors of the company Plastiques du Val de Loire and President of the company Amiens Injection.

Nature, purpose and terms:

Board of Directors' Meeting of September 16, 2013

Pertaining to the financial statements for the year ended September 30, 2013, your company approved a debt waiver with a better fortunes clause to Amiens Injection for the amount of €1,000,000.

The terms of the better fortunes clause became applicable on September 30, 2016 for the amount of €203,895. The better fortunes commitment therefore totalled €796,105 on September 30, 2016.

B – Debt waiver with a better fortunes clause

Persons involved:

Mr. Patrick Findeling, President of the Board of Directors of the company Plastiques du Val de Loire and President of the company Ouest Injection.

Nature, purpose and terms:

Board of Directors' Meeting of September 16, 2013

Pertaining to the financial statements for the year ended September 30, 2013, your company approved a debt waiver with a better fortunes clause to Ouest Injection for the amount of €2,000,000.

The terms of the better fortunes clause became applicable on September 30, 2016 for the amount of €525,627. The better fortunes commitment therefore totalled €630,192 on September 30, 2016.

C – Assistance services rendered to foreign subsidiaries

Persons involved:

Mr. Patrick Findeling, President of the Board of Directors of the company Plastiques du Val de Loire, President of the company BAP DOLNY KUBIN and Managing Director of the company Karl Hess.

Nature, purpose and terms:

Board of Directors' Meeting of October 1st, 2015

The company performs general management assistance and administrative (accounting, financial, commercial, technical, IT and legal) services for its foreign subsidiaries Karl Hess and Bourbon AP Dolny Kubin. The amount of the services corresponds to 0.5% of Karl Hess' consolidated turnover (compared to 1% in N-1) and 3.55% of Bourbon AP Dolny Kubin's consolidated turnover (compared to 4.55% in N-1).

Management services recorded as income during the financial year are detailed as followed:

- KARL HESS:	€340,449
- BAP DOLNY KUBIN:	€874,286

D – Directors' compensation under an employment contract

Persons involved:

Ms. Vanessa Belinguier and Mr. John Findeling, directors since March 28, 2008.

Nature, purpose and terms:

Board of Directors' Meetings of December 15, 2015 and September 30, 2016

These directors' employment contracts, signed prior to their appointment, continued over the financial year.

The compensation paid during the financial year ended September 30, 2016 (including non-cash benefits and variable compensation) totalled:

- Ms. Vanessa Belinguier:	€115,928
- Mr. John Findeling:	€88,346

Note 2. **Agreements and commitments already approved by the General Meeting**

Pursuant to Article R 225-30 of the Commercial Code, we have been informed that the following agreements and commitments, approved by General Meetings in previous years, continued to be executed during the past financial year.

A – Assistance services rendered to French subsidiaries

Persons involved:

Mr. Patrick Findeling, President of the Board of Directors of the company Plastiques du Val de Loire and the President of the companies Sablé Injection, Ouest Injection, Creutzwald Injection, Ere Plastique, Amiens Injection, Bourbon AP Bellême, Bourbon AP Voujeaucourt and Bourbon AP Holding.

Nature, purpose and terms:

The company performs general management assistance and administrative (accounting, financial, commercial, technical, IT and legal) services for its subsidiaries. The amount of the services corresponds to the expenses incurred for the French subsidiaries increased by a 5% margin.

The company's technical department performs technical services (technical studies and tool manufacturing) for its French subsidiaries (excluding Bourbon AP). As such, the company bills for services corresponding to 1% of the turnover generated by each subsidiary.

The management and technical services recorded as income during the financial year are detailed as followed:

- SABLE INJECTION:	€542,360
- OUEST INJECTION:	€437,794
- CREUTZWALD INJECTION:	€590,786
- ERE PLASTIQUE:	€444,525
- AMIENS INJECTION:	€777,105
- BOURBON AP BELLEME:	€813,272
- BOURBON AP VOUJEAUCOURT:	€747,885
- BOURBON AP HOLDING:	€3,864,305

B – Assistance services rendered to foreign subsidiaries

Persons involved:

Mr. Patrick Findeling, President of the Board of Directors of the company Plastiques du Val de Loire and President of the companies T.P.S, I.P.S, Elbromplast and Cardonplast.

The company Plastiques du Val de Loire as a shareholder of F.P.K and F.P.G pursuant to Article L.233.3 of the Commercial Code.

Nature, purpose and terms:

The company performs general management assistance and administrative (accounting, financial, commercial, technical, IT and legal) services for its foreign subsidiaries. The amount of the services corresponds to 4.1% of each subsidiary's turnover.

Management services recorded as income during the financial year are detailed as followed:

- T.P.S:	€850,832
- I.P.S:	€428,451
- ELBROMPLAST:	€710,184
- CARDONAPLAST:	€601,190
- F.P.K	€816,387
- F.P.G	€1,474,932

C – Mr. Patrick Findeling's current account

Persons involved:

Mr. Patrick Findeling, the President of the Board of Directors of the company Plastiques du Val de Loire.

Nature, purpose and terms:

The sums made available by the company to Mr. Patrick Findeling are remunerated at the tax-deductible rate.

In the financial statements for the year ended September 30, 2016, the balance of Mr. Findeling's current account was €1,010,618 and the resulting remuneration represented an expense of €19,524.

Saint-Cyr-Sur-Loire and Paris, January 31, 2017,

The Statutory Auditors

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Alliance Audit Expertise
et Conseil

Gilles Hengoat
Partner

Vincent Joste
Partner

7 INFORMATION ON THE COMPANY AND ITS CAPITAL



I INFORMATION ON THE COMPANY

Note 1. Information on the company

A – Company name and trade name

The company is named PLASTIQUES DU VAL DE LOIRE, abbreviated as P.V.L.

It also uses the trade name "PLASTIVALOIRE" which is also the habitual name of the Group of which PLASTIQUES DU VAL DE LOIRE is the parent company.

B – Legal form

PLASTIQUES DU VAL DE LOIRE is a Public Limited Company with a Board of Directors.

C – Applicable law

The company is governed by French law, namely:

- Law no. 66-537 of 24 July, 1966, codified in Articles L 210.1 to L 247.10 of the Commercial Code
- Decree no. 67-236 of 23 March 1967 on commercial companies, codified by Articles L 210-1 to L 225-122 of the Commercial Code

D – Share capital

At September 30, 2016, the Company's share capital totalled €5,531,400

E – Headquarters

The company's headquarters are located in Zone Industrielle Nord, 1 Route de la Retaudière, Les Vallées in LANGEAIS (37130).

F – Trade and Companies Register, NAF code

The company is registered with the Trade and Companies Register of TOURS under number 644.800.161. Its NAF code is 2229A

G – Duration

The company PLASTIQUES DU VAL DE LOIRE was created on February 20, 1964, the date of its registration with the Trade and Companies Register, for a duration of 50 years, until February 19, 2014.

The company's term was extended, by decision of the General Meeting of February 28, 2005, to February 27, 2104.

H – Corporate purpose (Article 3 of the Articles of Association)

The company PLASTIQUES DU VAL DE LOIRE's corporate purpose is:

- any industrial or commercial operations relating to the injection of plastic materials, the manufacturing and forming of plastic parts, plastic boiler-work, and any equipment, all directly or indirectly, on its behalf or on behalf of third parties, either alone or with third parties, by means of the creation of new companies, contribution, partnership, subscription, purchase of company shares or rights, merger, alliance, joint ventures, the taking or granting of a lease or management agreement for any property or rights, or other means;
- and, more generally, all financial, commercial, industrial, civil operations or transactions involving moveable or real property, which may be directly or indirectly related to one of the specified purposes or the corporate assets.

I – Consultation of legal documents

The company's articles of association, minutes of proceedings and other legal documents may be consulted at the headquarters by authorized persons.

The financial information and regulated information are also available on the company's website (<http://www.plastivaloire.com>)

J – Financial year

The financial year runs from October 1st to September 30 of the following calendar year.

Note 2. Shareholders' rights and obligations

A – General Meetings (Article 15 of the Articles of Association)

The shareholders' meetings are convened and deliberate under the conditions provided for by law and the regulations.

They are held at the headquarters or any other location indicated in the summons.

The Meeting's agenda is drawn up by the person calling the Meeting or by the legal order appointing the officer responsible for calling it. One or more shareholders representing a proportion of the capital set by the laws and regulations is/are entitled to request the inclusion of draft resolutions in the Meeting's agenda.

The Meeting may not deliberate on a matter not included in the agenda, which shall not be amended in the event of a second summons. It may, however, in any circumstances, dismiss directors and appoint their replacements.

All shareholders are entitled to take part in the General Meetings or be represented by another shareholder or by his/her spouse, irrespective of the number of their shares, so long as their shares have been paid up in full.

The right to attend the General Meetings is substantiated by the recording of the shares, either in the shareholder's name or in the name of an intermediary registered on his behalf, pursuant to Article L 228-1 paragraph 7 of the Commercial Code, on the third business day preceding the Meeting at midnight Paris time, either in the registered share account kept by the company, or in the bearer share account kept by the authorized intermediary.

These formalities must be completed five days before the date of the Meeting.

The Board of Directors may shorten this timeframe as a general measure benefiting all shareholders.

Any shareholder may also vote by mail using a form prepared by the company and submitted to shareholders requesting it.

Forms for voting by mail must be received by the company three days before the Meeting.

In addition, the company is required to attach to all proxy forms sent to shareholders, either directly or via the agent appointed for this purpose, the information required by the regulations. The proxy form must inform the shareholder that if he uses it without naming his agent, the President of the Meeting will deliver a vote in his name in favour of the adoption of the draft resolutions presented or approved by the Management Board and a vote against the adoption of all other draft resolutions.

To vote any other way, the shareholder must appoint an agent, who shall not have the right to substitute another person. Beginning on the date on which the Meeting is called and until the fifth day before the Meeting, any shareholder eligible to take part in the Meetings may ask the company to send him a proxy form at the indicated address. The company is required to send this form before the Meeting at its expense.

All shareholders owning shares of a given class may take part in the Special Meetings of shareholders of that class, under the conditions outlined above.

Voting shall be done by show of hands or roll call. It may only be done by secret ballot, for which the Meeting will decide the terms, on the request of members representing, either themselves or as representatives, the majority required to vote on the resolution concerned.

B – Voting rights (Article 12 of the articles of association and Article 225-123 of the Commercial Code)

Each share entitles its holder to a right proportional to the share of the capital that it represents in the profits and assets.

Where applicable, and subject to applicable mandatory laws, all shares shall be taken together, irrespective of any tax exemptions or allocations, in addition to any taxes likely to be covered by the company, before any shares be redeemed during the life of the company or when the company is being wound up, so that, given their respective par value, all existing shares shall be redeemed at the same net value regardless of their origin or date of issue.

Double voting rights are conferred on all fully paid up shares, relative to the proportion of the share capital that they represent, that have been registered in the name of the same shareholder for at least four years.

In the event of a capital increase through capitalization of reserves, profits or issue premiums, double voting rights are conferred, upon their issue, to registered shares granted free of charge to a shareholder due to old shares for which the shareholder was entitled to this right. The double voting rights discussed in the foregoing paragraphs is reserved to shareholders who are French nationals or nationals of a Member State of the European Economic Community.

Any shares converted to bearer shares or of which ownership is transferred shall lose double voting rights. However, transfer resulting from inheritance, separation of assets between spouses, or an inter vivos gift from a spouse or close relative shall not result in the loss of rights or interrupt the period under Article 225-123 of the Commercial Code.

The merger or division of the company shall have no effect on double voting rights, which may be exercised within the acquiring company if its articles of association provide for such rights.

Shareholders shall not bear losses in excess of the amounts of their contributions.

C – Allocation and distribution of profits (article 18 of the Articles of Association)

The difference between income and expenses for the financial year, after deduction of amortization and provisions, represents the profit or loss for the financial year.

From the profit less prior losses, where applicable, five percent is deducted for the legal reserves fund. This deduction stops being mandatory once the reserve fund reaches one tenth of the share capital. It is resumed if, for any reason whatsoever, the reserve falls below this amount.

The distributable profit is composed of the profit for the financial year less any prior losses and the abovementioned deduction, plus profits carried forward.

This profit is available to the General Meeting, which, following a proposal from the Board of Directors, may, fully or partly, carry it forward, allocate it to general or special reserve funds, or distribute it to the shareholders in the form of a dividend.

Moreover, the Meeting may decide to pay out the amounts deducted from the reserves available to it; in this case, the resolution must expressly identify the reserve line items from which the deductions are made. However, dividends are firstly paid out from the distributable profits for the financial year.

The appraisal surplus cannot be distributed; it can be capitalised in whole or in part.

The Meeting shall have the option of granting each shareholder, for all or part of the dividend or interim dividends distributed, the choice of receiving the dividends or interim dividends in cash or in shares.

D – Share ownership type (article 9.1 of the Articles of Association)

Except as otherwise provided in the share issuance contract or by law, equity and other securities that may be issued by the company may be held in registered or bearer form at the shareholder's discretion. They may only be held in bearer form once they are fully paid up.

E – Legal and statutory thresholds (article 9 of the Articles of Association)

The crossing upwards or downwards of the voting rights or capital thresholds set by law (5%, 10%, 15%, 20%, 30%, 33.33%, 50%, 66.66%, 90% and 95%) must be declared by any shareholder to the company and to the AUTORITE DES MARCHES FINANCIERS (A.M.F.) pursuant to the laws and regulations in force.

In the event that disclosure is not made as defined above, the shares exceeding the threshold that should have been declared shall lose their voting rights until the situation is resolved and for a period of two years after the date of due notification. Irrespective of civil penalties, persons failing to disclose are subject to criminal penalties under Article 247-2 I of the Commercial Code.

Moreover, the Commercial Court in whose jurisdiction the headquarters are established may, when requested by the president of the company, a shareholder (irrespective of the size of his stake in the capital) or the AUTORITE DES MARCHES FINANCIERS, suspend the exercise of all or part of the voting rights (not only the percentage exceeding the undisclosed threshold), for a period of no more than five years, of the shareholder having failed to declare the crossing of a threshold.

Without prejudice to the foregoing provisions, any person who comes to directly or indirectly hold, for the purposes of the provisions of the law, at least 2% of the total voting rights attached to the company's shares is required to declare to the company, by registered letter with acknowledgement of receipt sent to the

headquarters, the total number of voting rights held, within fifteen days from the date of registration of the shares that brought his holding above or below this threshold or a multiple thereof.

Unless the proper disclosure is made under the conditions stipulated above, shares exceeding the percentage that must be declared shall lose their voting rights until the situation is resolved, for up to two years following the date on which this disclosure is carried out. However, this possibility can only be realized if the penalty is the subject of a request recorded in the minutes of the General Meeting made by a shareholder holding a percentage of the capital and voting rights of at least 2%.

F – Share transfer conditions (article 11 of the Articles of Association)

Shares may be freely sold or transferred.

II INFORMATION ON THE CAPITAL OF THE COMPANY PLASTIQUES DU VAL DE LOIRE

Note 1. Share capital and voting rights

A – Share capital

The share capital totals €5,531,400 divided into 2,765,700 fully paid-up ordinary shares with a par value of €2.

B – Capital distribution

PLASTIQUES DU VAL DE LOIRE's shareholder structure on September 30, 2016 was as follows:

Shareholders	% of capital			% of real voting rights		% of theoretical voting rights	
	Full	Bare	Usuf.	OGM	EGM	OGM	EGM
Patrick Findeling	37,33	-	0,66	47,93	47,11	47,89	47,06
Gisèle Findeling	3,96	-	-	5,04	5,04	5,04	5,04
Viviane Findeling	2,64	-	-	3,36	3,36	3,36	3,36
Vanessa Bélinguier	3,79	0,22	-	4,83	5,11	4,82	5,10
John Findeling	3,84	0,22	-	4,88	5,16	4,88	5,16
Eliot Findeling	4,24	0,22	-	5,40	5,68	5,40	5,67
M-France Findeling	0,72	-	-	0,92	0,92	0,91	0,91
Public	42,69	-	-	27,63	27,63	27,60	27,60
Treasury	0,14	-	-	-	-	0,09	0,09
TOTAL	100%			100%	100%	100%	100%

It is specified that no employee equity scheme is currently in place.

The company has not been notified of any other company holding over 10% of its capital.

It was notified on November 20, 2015 that the threshold of 5% of the capital had been crossed (7.21%) by the company DORVAL FINANCE SA, 1 rue de Gramont - 75002 PARIS.

Note 2. **Authorized but unissued capital**

The General Meeting of March 21, 2016 authorized the company, for a 26-month period expiring May 20, 2018, granting the powers and responsibilities necessary for this purpose to the Board of Directors:

A – Regarding issues with preferential subscription rights:

. to issue ordinary shares and/or securities conferring immediate or deferred access, at any time or on a precise date, to ordinary shares in the company, by subscription, conversion, exchange, reimbursement, presentation of a warrant or any other means, excluding priority shares,

. to issue free shares or increase the par value of the existing shares via capitalization of equity,

up to a total amount of €10,000,000 (5,000,000 euros for securities representing receivables against the company).

B – Regarding issues without preferential subscription rights:

. to issue ordinary shares and/or securities conferring immediate or deferred access, at any time or on a precise date, to shares in the company, by subscription, conversion, exchange, reimbursement, presentation of a warrant or any other means, excluding priority shares, up to a total amount of €2,200,000 for private placement and €10,000,000 for a public offering.

C – Regarding capital increases reserved for employees belonging to a company savings plan:

. to issue new shares to employees up to 3% of the share capital.

Note 3. Issue authorization

It will be proposed to the Extraordinary General Meeting to delegate to the Board of Directors the authority to conduct a capital increase by issuing ordinary shares and/or securities conferring access to the capital up to a maximum of 10% of the capital in order to remunerate contributions in kind or of securities conferring access to the capital

As such, it is proposed that:

- 1) The Board of Directors be authorized, on the basis of a report by the contributions auditor (commissaire aux apports), to issue ordinary shares or securities conferring access to ordinary shares in order to remunerate contributions in kind granted to the company and composed of equity securities or securities conferring access to the capital when the provisions of Article L. 225-148 of the Commercial Code do not apply.
- 2) The period of validity of this delegation of authority be set to fourteen months, beginning on the day of the Meeting.
- 3) The total par value of ordinary shares that might be issued under this delegation not be greater than 10% of the capital on the date of the Meeting, notwithstanding the par value of the ordinary shares to be issued in order to preserve the rights of the holders of securities conferring access to the company's capital, pursuant to applicable laws and, where applicable, contractual provisions that provide for other cases of adjustment. This limit shall be independent of all other limits on other authorizations granted by the General Meeting of March 21, 2016.
- 4) Comprehensive powers be granted to the Board of Directors for the purpose of approving the valuation of contributions, determining the resulting capital increase, recording the completion thereof, charging to the share premium, where applicable, all fees or commissions related to the capital increase, deducting from the share premium the amounts required to bring the legal reserve up to one tenth of the new capital following each increase, making the corresponding amendments to the articles of association, and taking all necessary measures related to the operation.

Note 4. Changes to the company's share capital since its creation

Date	Type of operation	Capital increase (in francs)	Issue merger premium (net)	Number of shares created	Total number of shares (after operation)	Par value (in francs)	Capital
1964	Incorporation	-	-	4 050	4 050	100	405 000
1967	Capital reduction	- 121 500	-	Cancellation of the 4050 existing shares and creation of 2025 shares of 140F	2 025	140	283 500
1968	Merger	161 000	-	1 150	3 175	140	444 500
1976	Capital increase through incorporation of reserves	317 500	-	-	3 175	240	762 000
1981	Capital increase through incorporation of reserves	508 000	-	-	3 175	400	1 270 000
1984	Capital increase through incorporation of reserves and capital reduction	730 250	-	-	3 175	630	2 000 250
1987	Capital increase through incorporation of reserves	1 174 750	-	-	3 175	1 000	3 175 000
1989	Capital increase through incorporation of reserves	3 175 000	-	3 175	6 350	1 000	6 350 000
1990	Capital increase through incorporation of reserves	3 810 000	-	-	6 350	1 600	10 160 000
1990	Split of the shares' par value	-	-	1016000 after cancellation of the 6350 previously making up the capital	1 016 000	10	10 160 000
1994	Capital increase through incorporation of reserves	10 160 000	-	1 016 000	2 032 000	10	20 320 000
1996	Capital increase through cash contribution	2 540 000	26670000	254 000	2 286 000	10	22 860 000
1998	Contribution in kind of 250 shares in the company ERE PLASTIQUE INDUSTRIE	187 500	2812500	18 750	2 304 750	10	23 047 500
2000	Capital increase through cash contribution	4 609 500	95179486*	460950	2 765 700	10	23 657 000
2001	Capital increase through incorporation of reserves	8 626 606	8626605,5	-	-	13,12 FRF	36 283 605 FRF
	and conversion into euros	1 315 117,84 €	1 315 117,84 €	-	2 765 700	2	5 531 400

* after allocating capital increase costs totalling 3,619,289 francs

Note 5. Summary of existing capital increase authorizations

Type of authorisation	EGM date	Expiry of authorisation	Authorised amount	Increases conducted in previous years	Increases conducted during the year	Residual amount on the day this document was prepared
Capital increase through incorporation of reserves	21.03.2016	20.05.2018	20 M€	-	-	20 M€
Capital increase reserved for shareholders with preservation of preferential subscription rights	21.03.2016	20.05.2018	10 M€			10 M€
Capital increase with suppression of the preferential subscription right through public offering	21.03.2016	20.05.2018	10 M€	-	-	10 M€
Capital increase with suppression of the preferential subscription right through private placement	21.03.2016	20.05.2018	2,2 M€	-	-	2.2 M€
Capital increase with suppression of the preferential subscription right for the members of an employee savings plan	21.03.2016	20.05.2018	3 % of the capital	-	-	3 % of the capital

Note 6. Company repurchase of shares

The company is authorized to trade in its own shares, for the purpose of improving its financial management, as part of external growth operations, or for the purpose of awarding shares to its employees.

Authorization was granted for this purpose by the General Shareholders' Meeting of March 21, 2016.

The maximum authorized purchase price was set at €100.

The repurchase authorization was capped at 10% of the number of shares making up the capital, or 276,570 shares.

Information on the implementation of this program is presented in the Board of Directors' Special Report given in paragraph 7.4 of this document.

Note 7. Transactions completed as part of the share repurchase program (Article T. 1225-9 paragraph 2 of the Commercial Code) between October 1st, 2015 and September 30, 2016.

Percentage of capital directly or indirectly held by the company	0,147%
Number of shares cancelled over the previous 24 months	None
Number of portfolio securities;	
Securities recorded as investment Securities	4.067
Securities recorded as fixed securities	
Portfolio book value	397.100 euros

Operations carried out in the period from October 1st, 2015 to September 30, 2016							
		Market-making	Employee shareholding	External growth operations	Coverage of securities	Cancellation	Total
Purchases	Number of shares	35 905	-	-	-	-	35 905
	Price	75	-	-	-	-	75
	Amount	2 698 357	-	-	-	-	2 698 357
Sales/Transfers	No. of shares	47 219					47 219
	Price	74	-	-	-		74
	Amount	3 502 899	-	-	-		3 502 899

The company has not used derivatives as part of this share repurchase program.

The shares held by the company have not been reallocated for other purposes since the last authorization granted by the General Meeting.

Note 8. **Adjustment of conversion bases for securities conferring access to the capital and subscription or purchase options**

The company has not issued any securities conferring access to its capital, nor has it granted any subscription or purchase options.

Note 9. **Issue and admission to trading of securities**

This chapter is inapplicable to this document

Note 10. **Other securities conferring access to the capital or that do not represent share capital**

There are no securities that might confer direct or indirect access to the company's capital.

Nor are there securities that do not represent share capital (founders' shares or voting right certificates).

III SHAREHOLDER INFORMATION

Note 1. Changes to the capital distribution taking place over the last three years

The company's capital distribution has changed as follows over the last three years:

Year	Shareholders	% of capital			% of (theoretical) voting rights	
		Full ownership	Bare ownership	Usufruct	OGM	EGM
2014	Patrick FINDELING	43.25	-	0.66	55.19	54.36
	Gisèle FINDELING	3.96	-	-	5.01	5.01
	Viviane FINDELING	3.30	-	-	4.07	4.07
	Vanessa BELINGUIER	2.05	0.22	-	2.59	2.86
	John FINDELING	1.84	0.22	-	2.32	2.60
	Eliot FINDELING	2.24	0.22	-	2.84	3.11
	M. France FINDELING	0.72	-	-	2.91	0.91
	Public	41.60	-	-	27.07	27.07
	Treasury	0.40	-	-	-	-
2015	Patrick FINDELING	40.25	-	0.66	51.69	50.86
	Gisèle FINDELING	3.96	-	-	5.04	5.04
	Viviane FINDELING	2.83	-	-	3.60	3.60
	Vanessa BELINGUIER	2.79	0.22	-	3.55	3.83
	John FINDELING	2.84	0.22	-	3.61	3.89
	Eliot FINDELING	3.24	0.22	-	4.13	4.40
	M. France FINDELING	0.72	-	-	0.91	0.91
	Public	42.40	-	-	27.44	27.44
	Treasury	0.33	-	-	-	-
2016	Patrick FINDELING	37.33	-	0.66	47.89	47.06
	Gisèle FINDELING	3.96	-	-	5.04	5.04
	Viviane FINDELING	2.64	-	-	3.36	3.36
	Vanessa BELINGUIER	3.79	0.22	-	4.82	5.10
	John FINDELING	3.84	0.22	-	4.88	5.16
	Eliot FINDELING	4.24	0.22	-	5.40	5.67
	M. France FINDELING	0.72	-	-	0.91	0.91
	Public	42.69	-	-	27.60	27.60
	Treasury	0.14	-	-	0.09	0.09

It is specified that no employee equity scheme is currently in place.

The company has not been notified of any other company holding over 10% of its capital.

Note 2. Pledge of shares or other securities

To the company's knowledge, there are no pledges on shares or other securities issued by the company PLASTIQUES DU VAL DE LOIRE or one of its subsidiaries.

Note 3. General stock market information

A – Listing market

The shares of the company PLASTIQUES DU VAL DE LOIRE are listed on EUROLIST (excluding SRD), EURONEXT PARIS, Compartment B, ISIN Code FR 0000051377.

PLASTIQUES DU VAL DE LOIRE stock is not listed on any other market than the one mentioned above.

B – Price fluctuations



C – Market-making agreement

The company holds the following liquidity agreement: ARKEON FINANCE.

D – Dividends

1. Dividends paid during the last three financial years (in euros)

Financial Year	Number of shares	Total dividend (in €)	Total dividend distributed (per share) in €	Abatement Art. 158-3 2° of the General Tax Code	Real income (per share) in €
2012/2013	2.765.700	276.570	0,10	Yes	0,10
2013/2014	2.765.700	3.318.840	1,20	Yes	1,20
2014/2015	2.765.700	3.871.980	1,40	Yes	1,40

2. Dividend limitation period

The dividend limitation period is governed by legal provisions.

IV Information policy

A – Information officers

Mr. Patrick FINDELING
President of the Board of Directors, responsible for General Management
ZI Nord - Les Vallées 37130 LANGEAIS
Tel.: 02.47.96.15.15

Ms. Vanessa BELINGUIER
Deputy Managing Director responsible for administrative and financial affairs.
Z.I. Nord, Les Vallées - 37130 LANGEAIS
Tel.: 02.47.96.15.15
email: vanessa.belinguiер@plastivaloire.com

B – Financial reporting company

PLASTIQUES DU VAL DE LOIRE uses the services of the company ACTUS FINANCE, Communication Financière, 52 rue de Ponthieu 75008 PARIS.

8 COMBINED SHAREHOLDERS' MEETING



I AGENDA

Within the scope of the annual Ordinary General Meeting:

- presentation of the Board of Directors' report on the financial year ended September 30, 2015 (including the Group management report);
- presentation of the report from the President of the Board of Directors on internal control;
- the statutory auditors' reports on the fulfilment of their assignment and on the agreements covered under Articles 225-38 et seq. of the Commercial Code;
- the approval of the annual financial statements, the consolidated financial statements, the agreements covered under Articles 225-38 et seq. of the Commercial Code and the non-tax-deductible expenses;
- the allocation of the income for the financial year;
- the authorization to be granted to the Board of Directors for the purpose of the repurchase of the company's shares pursuant to Article L 225-209 of the Commercial Code and the duration, purpose, terms and limits of this authorization.

Within the scope of the Extraordinary General Meeting:

- the authorization to be granted to the Board of Directors for the cancellation of shares repurchased by the company in accordance with the programme provided for in Article L. 225-209 of the Commercial Code and the duration and limit of this authorization,
- The delegation of authority to be granted to the Board of Directors to perform a capital increase through the capitalization of reserves, profits or issue premiums, the duration of the delegation, the maximum nominal value of the capital increase, the outcome of fractional shares,
- The delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or capital securities or securities giving entitlement to the allocation of debt securities and/or securities giving entitlement to capital securities to be issued (in the company or a company in the group) with preservation of the preferential subscription rights, the duration of the delegation, the maximum nominal value of the capital increase, the possibility of offering unsubscribed securities to the public,
- The delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or capital securities giving entitlement to other capital securities or to the allocation of debt securities and/or securities giving entitlement to capital securities to be issued (in the company or a company in the group), with suppression of the preferential subscription rights by public offering, the duration of the delegation, the maximum nominal value of the capital increase, the issue price, the possibility of limiting to the amount subscribed or of redistributing the unsubscribed securities,
- The delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or capital securities giving entitlement to other capital securities or to the allocation of debt securities and/or securities giving access to capital securities to be issued (in the company or a company in the group), with suppression of the preferential subscription rights by way of an offer as described in paragraph II of Article L. 411-2 of the Monetary and Financial Code, the duration of the delegation, the maximum nominal value of the capital increase, the issue price, the possibility of limiting to the amount subscribed or of redistributing the unsubscribed securities,
- The authorization to increase the number to be issued in the event of oversubscription,
- The delegation of authority to be granted to the Board of Directors to perform a capital increase through the issue of ordinary shares and/or securities giving entitlement to the capital with suppression of the preferential subscription right for the benefit of the members of a company savings plan in application of Articles L. 3332-18 et seq. of the Labour Code, the duration of the delegation, the maximum nominal value of the capital increase, the issue price, the possibility of allocating free shares pursuant to Article L. 3332-21 of the Labour Code,
- The authorization to be granted to the Board of Directors to grant subscription and/or share purchase options to salaried employees and/or certain executive officers of the company or the related companies, the waiver by shareholders of their preferential subscription rights, the duration of the authorization, the cap, the strike price, the maximum term of the option,

II PROPOSED RESOLUTIONS –

FIRST RESOLUTION - APPROVAL OF THE CORPORATE FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS

The General Meeting of Shareholders, having heard the presentation of the reports by the Board of Directors, the President of the Board of Directors and the Statutory Auditors for the financial year ended September 30, 2015, hereby approves the annual financial statements as presented and closed on that date, showing profits of €4,246,320.

Moreover, the General Meeting approves the total amount of expenses and charges, totalling €90,642 as detailed in section 4 of Article 39 of the General Tax Code, for non-deductible depreciation on passenger vehicles, and the corresponding taxes for the amount of €30,214.

Finally, the General Meeting approves the consolidated financial statements for the year ended September 30, 2015, amounting to after-tax profits of €21,919k, for a Group income of €23,004k.

It also approves the transactions recorded therein and summarized in these reports.

The General Meeting consequently grants discharge to the members of the Board of Directors for the performance of their functions for the approved financial year.

It also grants discharge to the Statutory Auditors for the completion of their assignment.

SECOND RESOLUTION - THE AGREEMENTS UNDER ARTICLES 225-38 ET SEQ. OF THE COMMERCIAL CODE

Ruling on the special report by the Statutory Auditor on the regulated agreements and commitments, as presented, the General Meeting approves the agreements referred to in Article 225-38 of the Commercial Code and presented in the special report.

THIRD RESOLUTION - ALLOCATION OF THE RESULTS

Having heard the proposal made by the Board of Directors with regard to the allocation of the results for the financial year, the General Meeting has decided to allocate the results for the financial year as follows:

Origin

- Income for the financial year	€4,246,320
---------------------------------------	------------

Allocation

- Allocation of to the "other reserves" item	€373,958.88
- Allocation of to the "regulated reserves" item	€381.12
- Distribution of a dividend of or €1.40 for each of the 2,765,700 shares	€3,871,980

The total amount distributed, for individual shareholders, is eligible for the 40% discount provided for under Article 159-3-2° of the General Tax Code.

Unless an exemption is expressly requested by the individual shareholders and insofar as they meet the criteria required by law, revenue distributed to natural persons is subject to a mandatory source withholding at the rate of 21%.

For the previous three financial years, the dividends distributed were as follows (in €):

Financial Year	Number of shares	Total dividend (in €)	Total dividend distributed (per share) in €	Abatement Art. 158-3 2° of the General Tax Code	Real income (per share) in €
2011/2012	2.765.700	1.659.420	0,60	Yes	0,60
2013/2014	2.765.700	276.570	0,10	Yes	0,10
2014/2015	2.765.700	3.318.840	1,20	Yes	1,20

FOURTH RESOLUTION - AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE REPURCHASE OF COMPANY SHARES IN ACCORDANCE WITH ARTICLE L 225-209 OF THE COMMERCIAL CODE

The General Meeting, having heard the report by the Board of Directors, authorizes the latter, for an eighteen-month period, in accordance with Articles L 225-209 et seq. of the Commercial Code, to proceed with the repurchasing of company shares, in one or multiple instances at the times it deems fit, up to 10% of the number of shares making up the share capital, adjusted if necessary to take into account any capital increases or reductions which may take place during the program.

This authorization, when implemented, will terminate the authorization granted to the Board of Directors by the Ordinary General Meeting of March 23, 2015.

These acquisitions may be performed in order to:

- Support the secondary market or the liquidity of the stock via an investment services provider under a liquidity agreement in compliance with the AMAFI code of ethics, as recognized by the AMF,
- Keep the shares purchased and subsequently issue them in exchange or as payment for external growth operations, it being specified that shares acquired for this purpose may not exceed 5% of the company's capital,
- Cover option plans to purchase shares and other forms of allocating shares to the Group's employees and/or executive officers under the conditions and terms provided by law, namely as profit-sharing, a company savings plan or allocation of bonus shares,
- Cover securities conferring entitlement to company shares in accordance with current regulations,
- Cancel the shares purchased, under the authorization to be granted by the Extraordinary General Meeting on this same day in the fifth resolution.

These transactions may occur during a public offering period, in accordance with Article 232-15 of the AMF's General Regulations on the condition that the offering is paid entirely in cash and that the buybacks are part of an ongoing plan and are not liable to jeopardise the offering.

These share purchases may be conducted by any means, including through the acquisition of blocks of shares, and at the times chosen by the Board of Directors.

These operations may, in particular, occur during a public offering period in accordance with current regulations.

The maximum purchase price is 100 euros per share. In the event of a capital transaction, namely a share split or share consolidation or a free allocation of shares, the aforementioned amount shall be proportionately adjusted (multiplying factor equal to the ratio between the number of shares making up the capital before the transaction and the number of shares following the transaction).

The maximum amount of the operation is capped at 27,657,000 euros.

The General Meeting confers full powers to the Board of Directors to conduct these transactions, decide on their terms and conditions, enter into any agreements and carry out all formalities.

WITHIN THE SCOPE OF THE EXTRAORDINARY GENERAL MEETING:

**FIFTH RESOLUTION - AUTHORIZATION TO BE GRANTED TO THE BOARD OF
DIRECTORS FOR THE CANCELLATION OF SHARES REPURCHASED BY
THE COMPANY IN ACCORDANCE WITH THE PROGRAMME PROVIDED
FOR IN ARTICLE L. 225-209 OF THE COMMERCIAL CODE**

The General Meeting, having examined the report by the Board of Directors and the statutory auditors' report:

- 1) Authorizes the Board of Directors to cancel, at its sole option, on one or multiple occasions, within the limit of 10% of the share capital as calculated on the day of the decision to cancel, less any shares cancelled over the previous 24 months, the shares that the company holds or may hold following buybacks conducted under Article L. 225-209 of the Commercial Code, and to reduce the share capital to an appropriate extent in accordance with current laws and regulations.
- 2) Sets as twenty-four months, starting on the day of this Meeting, the duration of validity of this authorization,
- 3) Grants full powers to the Board of Directors to conduct the operations required for such cancellations and the corresponding share capital reductions, amend the articles of association accordingly and carry out all required formalities.

**SIXTH RESOLUTION - DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD
OF DIRECTORS TO CONDUCT A CAPITAL INCREASE THROUGH
CAPITALIZATION OF RESERVES, PROFITS AND/OR ISSUE PREMIUMS**

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having examined the Board of Directors' report, and in accordance with Articles L. 225-129-2 and L. 225-130 of the Commercial Code:

- 1) Delegates authority to the Board of Directors for the purpose of deciding to increase the share capital, on one or multiple occasions, at times and under conditions of its choosing, through the capitalization of reserves, profits, issue premiums or other amounts whose capitalization is accepted, by means of the issue and free allocation of shares or by increasing the par value of the existing ordinary shares, or a combination of these two methods.
- 2) Resolves that, in the event that the Board of Directors makes use of this authority, pursuant to Article L. 225-130 of the Commercial Code, in the event of a capital increase in the form of the free allocation of shares, fractional shares shall not be tradeable nor transferrable, and that the corresponding shares shall be sold; the proceeds from such sales shall be allotted to the holders of rights within the time period stipulated by applicable regulations.
- 3) Sets to twenty-six months the period of validity of this delegation, beginning on the day of this Meeting.
- 4) Resolves that the amount of the capital increase resulting from the issues carried out under this resolution shall not exceed the nominal amount of 20,000,000 euros, not including the amount required to preserve the rights of holders of securities giving access to shares, as required by law.

This ceiling is independent of any ceilings set under other resolutions adopted by this Meeting.

- 5) Grants the Board of Directors full powers to implement this resolution and, generally, to take all measures and carry out all formalities required for the completion of each capital increase, record its completion and amend the Articles of Association accordingly.
- 6) Takes due note that this delegation supplants, as of today, any previously granted delegation established for the same purpose, within the limit, where applicable, of the unused portion thereof.

**SEVENTH RESOLUTION - DELEGATION OF POWER TO BE GRANTED TO THE BOARD
OF DIRECTORS TO INCREASE THE CAPITAL BY ISSUING ORDINARY
SHARES AND/OR CAPITAL SECURITIES GRANTING ACCESS TO OTHER
CAPITAL SECURITIES OR GRANTING ENTITLEMENT TO THE
ALLOCATION OF DEBT SECURITIES AND/OR SECURITIES GRANTING
ACCESS TO CAPITAL SECURITIES TO BE ISSUED WITH PRESERVATION
OF THE PREFERENTIAL SUBSCRIPTION RIGHT**

The General Meeting, having examined the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of the Commercial Code and, more particularly, Articles L. 225-129-2, L. 228-92 and L. 225-132 et seq. therein:

- 1) Grants the Board of Directors the power to carry out a capital increase, on one or multiple occasions, in the proportions and at the times of its choosing, by issuing, either in euros, foreign currency or any other monetary unit determined by reference to more than one currency:

- ordinary shares, and/or

- capital securities granting access to other capital securities or granting entitlement to the allocation of debt securities, and/or
- securities granting access to capital securities to be issued,

Pursuant to Article L. 228-93 of the Commercial Code, the securities to be issued may grant rights to capital securities to be issued by the company and/or by any company that directly or indirectly holds more than 50% of the company's shares, or in which the company directly or indirectly holds more than 50% of the shares.

- 2) Sets the period of validity of this delegation to twenty-six months, beginning on the day of this Meeting.
- 3) Resolves to set, as follows, the total amounts of the issues authorized should the Board of Directors choose to make use of this delegation of power:

The total par value of the shares that might be issued under this delegation may not be greater than 10,000,000 euros.

To this cap shall be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with applicable laws and any contractual provisions providing for other cases of adjustment, the rights of the holders of securities granting access to the company's capital.

The par value of the debt securities against the company that might be issued may not be greater than 5,000,000 euros.

The ceilings defined above are independent of any ceilings set under other resolutions adopted by this Meeting.

- 4) Should the Board of Directors make use of this delegation of power in the context of the issues defined in 1) above:

a/ resolves that the issue(s) shall be preferentially reserved to shareholders who may subscribe as of right,

b/ resolves that if the subscriptions as of right and, if applicable, excess subscriptions, have not absorbed the entirety of an issue as defined in 1), the Board of Directors may use the following options:

- limit the amount of the issue to the subscription amount, it being specified that in the event of an issue of ordinary shares or securities whose primary instrument is a share, the amount of the subscriptions must be at least 3/4 of the issue decided upon for this limitation to be possible,
- freely allocate all or part of the unsubscribed shares,
- offer all or part of the unsubscribed shares to the public,

- 5) Resolves that the Board of Directors shall have, within the limits specified above, the necessary powers to determine the conditions of the issue(s) and determine the issue price, record the resulting capital increase, amend the articles of association accordingly, charge, on its own initiative, the capital increase costs to the corresponding share premiums, and deduct from said amount the amount necessary to bring the legal reserve to one tenth of the new capital after each increase and, more generally, to do all that is necessary for this purpose.

- 6) Take note that this delegation supplants any prior delegation granted for the same purpose.

EIGHTH RESOLUTION - DELEGATION OF POWER TO BE GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL BY ISSUING ORDINARY SHARES AND/OR CAPITAL SECURITIES GRANTING ACCESS TO OTHER CAPITAL SECURITIES OR GRANTING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES AND/OR SECURITIES GRANTING ACCESS TO CAPITAL SECURITIES TO BE ISSUED WITH SUPPRESSION OF THE PREFERENTIAL SUBSCRIPTION RIGHT BY PUBLIC OFFERING

The General Meeting, having examined the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of the Commercial Code and, more particularly, Articles L. 225-129-2, L. 225-136 and L. 228-92:

- 1) Grants the Board of Directors the power to carry out a capital increase, on one or multiple occasions, in the proportions and at the times of its choosing, on the French and/or international markets, by public offering, by issuing either in euros, foreign currency or any other monetary unit determined by reference to more than one currency:
 - ordinary shares, and/or
 - capital securities granting access to other capital securities or granting entitlement to the allocation of debt securities, and/or
 - securities granting access to capital securities to be issued,

Pursuant to Article L. 228-93 of the Commercial Code, the securities to be issued may grant rights to capital securities to be issued by the company and/or by any company that directly or indirectly holds more than 50% of the company's shares, or in which the company directly or indirectly holds more than 50% of the shares.

- 2) Sets to twenty-six months the period of validity of this delegation, beginning on the day of this Meeting.
- 3) The total par value of the ordinary shares that might be issued under this delegation may not be greater than 10,000,000 euros.

To this cap shall be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with applicable laws and any contractual provisions providing for other cases of adjustment, the rights of the holders of securities granting access to the company's capital.

This ceiling is independent of any ceilings set under other resolutions adopted by this Meeting.

- 4) Resolves to waive the shareholders' preferential subscription right to the securities that are the object of this resolution.
- 5) Resolves, pursuant to Article L 225-136 2° of the Commercial Code, that the amount received or receivable by the Company for each of the shares issued under this delegation of authority shall be decided by the Board of Directors,
- 6) Resolves that should the subscriptions not absorb the entire share issue described in 1, the Board of Directors may use the following options:
 - limit the amount of the issue to the subscription amount, it being specified that in the event of an issue of ordinary shares or securities whose primary instrument is a share, the amount of the subscriptions must be at least 3/4 of the issue decided upon for this limitation to be possible,
 - freely allocate all or part of the unsubscribed shares,
- 7) Resolves that the Board of Directors shall have, within the limits specified above, the necessary powers to

determine the conditions of the issue(s), record the resulting capital increase, amend the articles of association accordingly, charge, on its own initiative, the capital increase costs to the corresponding share premiums, and deduct from said amount the amount necessary to bring the legal reserve to one tenth of the new capital after each increase and, more generally, to do all that is necessary for this purpose.

- 8) Take note that this delegation supplants any prior delegation granted for the same purpose.

NINTH RESOLUTION - DELEGATION OF POWER TO BE GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL BY ISSUING ORDINARY SHARES AND/OR CAPITAL SECURITIES GRANTING ACCESS TO OTHER CAPITAL SECURITIES OR GRANTING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES AND/OR SECURITIES GRANTING ACCESS TO CAPITAL SECURITIES TO BE ISSUED WITH SUPPRESSION OF THE PREFERENTIAL SUBSCRIPTION RIGHT BY AN OFFER AS DEFINED IN ARTICLE L.411-2 II OF THE FRENCH MONETARY AND FINANCIAL CODE

The General Meeting, having examined the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of the Commercial Code and, more particularly, Articles L. 225-129-2, L. 225-136 and L. 228-92:

- 1) Grants the Board of Directors the power to carry out a capital increase, on one or multiple occasions, in the proportions and at the times of its choosing, on the French and/or international markets, by an offer as defined in Article L.411-2 II of the French Monetary and Financial Code, by issuing either in euros, foreign currency or any other monetary unit determined by reference to more than one currency:

- ordinary shares, and/or
- capital securities granting access to other capital securities or granting entitlement to the allocation of debt securities, and/or
- securities granting access to capital securities to be issued,

Pursuant to Article L. 228-93 of the Commercial Code, the securities to be issued may grant rights to capital securities to be issued by the company and/or by any company that directly or indirectly holds more than 50% of the company's shares, or in which the company directly or indirectly holds more than 50% of the shares.

- 2) Sets to twenty-six months the period of validity of this delegation, beginning on the day of this Meeting.
- 3) The total par value of the ordinary shares that might be issued under this delegation may not be greater than 2,200,000 euros, it being specified that it shall also be limited to 20% of the capital in any given year.

To this cap shall be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with applicable laws and any contractual provisions providing for other cases of adjustment, the rights of the holders of securities granting access to the company's capital.

This ceiling is independent of any ceilings set under other resolutions adopted by this Meeting.

- 4) Resolves to waive the shareholders' preferential subscription right to the securities that are the object of this resolution.
- 5) Resolves, pursuant to Article L 225-136 2° of the Commercial Code, that the amount received or receivable by the Company for each of the shares issued under this delegation of authority shall be decided by the Board of Directors,

- 6) Resolves that should the subscriptions not absorb the entire share issue described in 1, the Board of Directors may use the following options:
- limit the amount of the issue to the subscription amount, it being specified that in the event of an issue of ordinary shares or securities whose primary instrument is a share, the amount of the subscriptions must be at least 3/4 of the issue decided upon for this limitation to be possible,
 - freely allocate all or part of the unsubscribed shares,
- 7) Resolves that the Board of Directors shall have, within the limits specified above, the necessary powers to determine the conditions of the issue(s), record the resulting capital increase, amend the articles of association accordingly, charge, on its own initiative, the capital increase costs to the corresponding share premiums, and deduct from said amount the amount necessary to bring the legal reserve to one tenth of the new capital after each increase and, more generally, to do all that is necessary for this purpose.
- 8) Take note that this delegation supplants any prior delegation granted for the same purpose.

TENTH RESOLUTION - AUTHORIZATION TO INCREASE THE AMOUNT OF THE ISSUES IN THE EVENT OF OVERSUBSCRIPTION

The General Meeting resolves that, for each issue decided upon in application of the seventh, eighth and ninth resolutions, the number of securities to be issued may be increased in accordance with Articles L. 225-135-1 and R 225-118 of the Commercial Code, up to the ceilings set by the Shareholders' Meeting, when the Board of Directors notes that there is oversubscription.

ELEVENTH RESOLUTION - DELEGATION OF POWER TO BE GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL THROUGH AN ISSUE OF ORDINARY SHARES AND/OR SECURITIES GRANTING ACCESS TO THE CAPITAL WITH SUPPRESSION OF THE PREFERENTIAL SUBSCRIPTION RIGHT FOR THE BENEFIT OF THE MEMBERS OF A COMPANY SAVINGS PLAN PURSUANT TO ARTICLES L. 3332-18 ET SEQ. OF THE LABOUR CODE

The General Meeting, having examined the Board of Directors' report and the Statutory Auditors' special report, ruling pursuant to Articles L. 225-129-6, L. 225-138-1 and L. 228-92 of the Commercial Code and L. 3332-18 et seq. of the Labour Code:

- 1) Delegates authority to the Board of Directors for the purpose, as it sees fit and at its sole discretion, to increase the share capital, on one or multiple occasions, by issuing ordinary shares or securities granting access to capital securities to be issued by the company for the members of one or multiple company or group savings plans established by the company and/or the French or foreign companies associated with it, pursuant to Article L. 225-180 of the Commercial Code and Article L. 3344-1 of the Labour Code.
- 2) Suppresses, for the benefit of these members, the preferential subscription right for shares issued under this delegation.
- 3) Sets as twenty-six months, starting on the day of this Meeting, the duration of validity of this authorization.
- 4) Limits the maximum nominal amount of the increase(s) that may be carried out using this delegation to 3% of the share capital at the moment the Board of Directors resolves to conduct said increase, this amount being independent from any other ceilings set forth with regard to delegations for capital increases. To this amount shall be added, where applicable, the additional amount of the ordinary shares to be issued to preserve the rights of the holders of securities granting entitlement to the share capital of the company, pursuant to applicable legislation and any contractual provisions allowing other adjustment cases.

- 5) Resolves that the price of the shares to be subscribed shall be determined using the methods provided in Article L. 3332-20 of the Labour Code. The Board is granted full powers to conduct the assessments required to determine the subscription price for each financial year, under the supervision of the Statutory Auditors. It is also granted full powers to freely allocate company shares or other securities granting access to the capital, up to the limit of the benefit as provided by law, and to determine the number and value of the securities allocated.
- 6) Resolves, in application of Article L.3332-21 of the Labour Code, that the Board of Directors may provide for the free allocation to the beneficiaries defined in the first paragraph above of shares issued or to be issued or other securities granting access to the company's share capital, issued or to be issued, as (i) an employer matching contribution which might be paid pursuant to the provisions of the company or group savings plan, and/or (ii) a discount, if applicable.

The Board of Directors may decide whether or not to implement this authorization and may take all steps and carry out all formalities necessary.

TWELFTH RESOLUTION - AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF GRANTING SHARE SUBSCRIPTION AND/OR PURCHASE OPTIONS TO EMPLOYEES (AND/OR CERTAIN EXECUTIVE OFFICERS)

The General Meeting, having examined the report by the Board of Directors and the statutory auditors' special report:

- 1) Authorizes the Board of Directors, within the framework of Articles L. 225-177 to L. 225-185 of the Commercial Code, to grant, on one or multiple occasions, to the beneficiaries defined below, options to subscribe new company shares to be issued as part of a capital increase or to purchase existing shares in the company resulting from repurchases carried out under the conditions provided for by law.
- 2) Sets at thirty-eight months, starting on the day of this General Meeting, the duration of validity of this authorization,
- 3) Resolves that the beneficiaries of these options may only be:
 - on the one hand, employees or certain employees, or certain categories of employees, of the company and, if applicable, of companies or economic interest groupings associated with it pursuant to Article L. 225-180 of the Commercial Code;
 - on the other hand, executive officers fulfilling the conditions stipulated in Article L. 225-185 of the Commercial Code.
- 4) The total number of options which may be granted by the Board of Directors under this authorization must not grant the right to subscribe or purchase a number of shares greater than 3% of the share capital existing on the day of this Meeting,
- 5) Resolves that the price for subscription and/or purchase of shares by the beneficiaries shall be determined on the day on which the options are granted by the Board of Directors pursuant to Article L. 225-177 paragraph 4 of the Commercial Code.
- 6) Notes that this authorization entails the waiver by the shareholders, for the benefit of the beneficiaries of the share subscription options, of their preferential subscription right to the shares that will be issued progressively as the options are exercised.

- 7) Delegates full powers to the Board of Directors to determine the other terms and conditions of the allocation of the options and their exercise, namely to:
- determine the conditions under which the options will be granted and decide on the list or categories of beneficiaries as described above; determine, if applicable, the seniority conditions that must be fulfilled by said beneficiaries; determine the conditions under which the price and number of shares must be adjusted, in particular under the scenarios provided for in Articles R. 225-137 to R. 225-142 of the Commercial Code;
 - determine the period(s) in which the options granted may be exercised;
 - provide for the possibility of temporarily suspending the exercise of options for a maximum term of three months in the event that financial transactions are carried out involving the exercise of rights attached to shares;
 - conduct all acts and formalities required to finalize the capital increase(s) that may be realized under the authorization provided in this resolution; modify the articles of association accordingly and generally take all measures necessary;
 - at its sole discretion and as it sees fit, charge the costs for the share capital increases against the share premium pertaining to these increases and deduct from this amount the sums necessary to bring the legal reserve up to one tenth of the new capital after each capital increase;
 - acquire the required number of shares pursuant to Article L. 225-209 of the Commercial Code.
- 8) Notes that this authorization supersedes all prior authorizations with the same purpose.

THIRTEENTH RESOLUTION - POWERS TO COMPLETE FORMALITIES

The General Meeting grants full powers to the bearer of an original or copy of the minutes of its deliberations to complete any legal publicity formalities required further to the adoption of the previous resolutions.

III EMPLOYEE REPRESENTATIVE COMMITTEE'S REMARKS ON THE ECONOMIC POSITION

NONE

CERTIFICATION BY THE PERSON ASSUMING RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

I certify that, to the best of my knowledge, the financial statements are drawn up in accordance with the applicable accounting standards and present a faithful image of the financial position and results of the company and of all of the enterprises included in the consolidation, and that the management report presents an accurate picture of the business developments, results and financial position of the company and of all of the enterprises included in the consolidation as well as a description of the principal risks and uncertainties that these companies face.

Signed in Langeais on January 29, 2017

Patrick FINDELING

President of the Board of Directors and Managing Director

A handwritten signature in black ink, appearing to be 'Patrick Findeling', written over a light blue grid background.