



**2014/15 Registration Document**

Annual Report

# 2014/15

# Registration Document

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## Annual Report



The present Registration Document was filed with the French financial markets authority (AMF) on 30/07/15, in accordance with Article 212-13 of the AMF General Regulations. It may be used to support a financial transaction if accompanied by a prospectus approved by the AMF. This document was prepared by the issuer and engages the responsibility of its signatories.

Pursuant to Article 28 of European Commission Regulation (EC) n°. 809/2004, and Article 212-11 of the AMF General Regulations, the following information is included in the present Registration Document for reference purposes:

- the consolidated financial statements and the Statutory Auditors' Report on these consolidated financial statements for the fiscal year ended 31/03/14 as presented on pages 81 to 105 of the 2013/14 Registration Document, filed with the AMF on 03/07/14 under number D.14-0727.
- the annual financial statements of the Solucom company and the Statutory Auditors' Report on these annual financial statements for the fiscal year ended 31/03/14 as presented on pages 106 to 123 of the 2013/14 Registration Document, filed with the AMF on 03/07/14 under number D.14-0727.

This document was drawn up in accordance with recommendations specified in the AMF midcap company guide for compiling reference documents on 04/12/14 and updated on 13/04/15.

The above-mentioned document is available on the Solucom website ([www.solucom.fr](http://www.solucom.fr)) and at Company headquarters.



# THE DIGITAL REVOLUTION: A TREMENDOUS OPPORTUNITY FOR SOLUCOM



**Michel Dancoisne** - *Chairman of the Supervisory Board*  
**Pascal Imbert** - *Chairman of the Management Board*

Michel Dancoisne and Pascal Imbert sum up the Solucom 2015 strategic plan and give an insight into the Company's new ambitions with the Up 2020 plan.

**2014/15 marked the end of the strategic plan launched in 2011. How would you sum it up?**

**P.I.:** By the end of the year, we had accomplished all the objectives we had set out to achieve in the 2015 strategic plan. Within the space of four years, we really pushed back all the boundaries and acquired solid positions in Management Consulting; a segment which now accounts for over 35% of our business. By the end of the plan, our international strategy had really taken off, with footholds acquired in the UK and Morocco. Furthermore, Solucom delivered sustained growth over the period; a performance driven by consistent organic growth coupled with eight acquisitions.

Despite pretty tough market conditions, we underwent a truly dramatic change in scope, with growth in full-year revenues to over €175m in 2015 from €108m in 2011; an increase of more than 60% in four years.

**What's your strategy for the years to come?**

**M.D.:** The market is entering a new growth phase underpinned by the digital revolution that is affecting all sectors of activity. A new world is beginning to emerge but has yet to take shape. For our clients, the challenges are tremendous. They will have to rapidly get a grasp of, and adapt to the new situation, forcing them to transform and sometimes even redefine their business models if they want to survive.

**P.I.:** This revolution really is an amazing opportunity for Solucom! Our technological roots, our value-added solutions and our expertise in the fields of Business and

Technology are key assets that make us naturally eligible to guide our clients through their digital transition. Also, we have built up solid positions in banking, insurance, transport and energy; the most harshly hit economic sectors.

**In the context of this digital revolution, what is your strategic approach with regard the Up 2020 plan?**

**P.I.:** The digital revolution may well be an extraordinary opportunity for Solucom but it is also a considerable challenge. The ongoing transformations are of an unprecedented scale. Moreover, if we want to win major transformation projects in the years to come, we will have to pursue our rapid expansion to consolidate our positions.

These transformations will also require that we step up our efforts towards achieving a more international status. In addition, our clients will be confronted with a lot of attractive and structural choices. To meet their expectations, we will, more than ever, have to demonstrate our clarity of vision, the relevance of our approach and the value of our counselling.

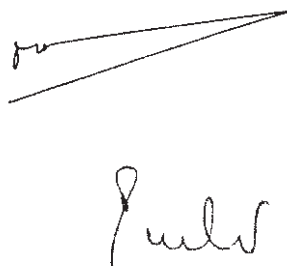
**How will UP 2020 affect Solucom?**

**M.D.:** Up 2020 embodies Solucom's three-fold ambition in terms of growth, international spread and value enhancement; a goal which, in itself, comprises the three financial objectives the Company has set for 2020: firstly, to reach the next stage of our development in terms of size and generate annual revenues

of €300m; secondly, to acquire a more international profile, and generate 20% of sales abroad; and thirdly, to enhance the value of the firm's offering and boost EBIT to 15%.

**2015/16 is the first year of this plan: what are your objectives?**

**P.I.:** 2015/16 got off to a more positive start than previous years. This improvement is of course being sustained by the growing momentum of digitisation which is a powerful catalyst. As such, excluding Arthus Technologies, our recent acquisition in Switzerland, we are targeting an increase in revenue of over 12%, including like-for-like growth of 5%, and EBIT of between 11% and 13%, taking into account the first wave of investments linked to the strategic plan.



**“ Up 2020: a three-fold ambition in terms of growth, international expansion and value creation ”**

**€175m**

**full-year revenues**

**35%**

**of revenues generated in management consulting**

# 25 YEARS OF TECHNOLOGICAL PROGRESS; 25 YEARS OF CONSULTANCY

## Vocation to guide and champion corporate transformation

Solucom was founded 25 years ago at a time when trends in Internet, the mobile phone and deregulation were, within a few years, to cause a revolution in the telecoms industry.

At the time, Solucom was positioned to provide players and end-users in the telecoms industry with counselling services designed to steer them through the tumultuous change caused by these disruptive innovations.

This experience has reinforced Solucom's belief that progress and disruptive technologies are unparalleled factors driving in-depth market transformation, and forcing sector players to call into question their

acquired positions and devise new business models. Within a few years, the gap could widen between those who are prepared for, and will ultimately capitalise on change, and those who are not.

It is upon this principle that the Company's mission is founded: namely, to ensure that all of its clients are on the side of the winners.

The past 25 years have seen a steady flow of disruptive technologies. Today, the digital revolution is restructuring the markets, breaking down sector frontiers, giving rise to new business models and making it even more important than ever for players to have a perfect understanding of technological innovations and their consequences. This is the playing field for Solucom and its 1,500 employees.



  
**1,500**  
employees

  
**2<sup>nd</sup>**  
largest independent  
consulting firm  
in France

## A 360° consulting offering

Solucom's approach is founded upon the belief that the key to successful corporate transformation lies in the ability to simultaneously master business, organisational and technological challenges. To this end, the Company has acquired business skills in five sectors of activity: banking, insurance, energy, transport and telecoms.

By combining these skills with its savoir-faire in operational excellence, as well as the technological expertise it has cultivated over the years, Solucom is in a position to provide 360° solutions tailored to tackle every stage of its major clients' transformation projects. In the context of the digital revolution, Solucom's unique consultancy offering and in-depth knowledge of digitisation are strengths upon which the Company can capitalise every day to serve its clients and ensure the success of their transformation programmes.

## At the heart of the digital and innovation ecosystem

Solucom has always fostered the principle of sharing with its clients its vision of ongoing and future change, as well as its experience across all sectors of activity.

Solucom consultants have access to a range of communication tools (thematic and sector blogs, personalised on-line reviews and newsletters) which offers them a privileged means of expression and provides a common framework for the numerous communities in the Group.

To promote the exchange of knowledge and points of view between its consultants and other players in their ecosystem (colleagues, experts, innovative start-ups) Solucom organises regular in-house events, such as Atelier Solucom, Club Innovation, Club Mobilité and Energycamps.



– Solucom's mobility club –

# 2,200

consulting missions  
carried out in 2014/15

# CAC 40

groups account for  
two-thirds of Solucom's  
client portfolio

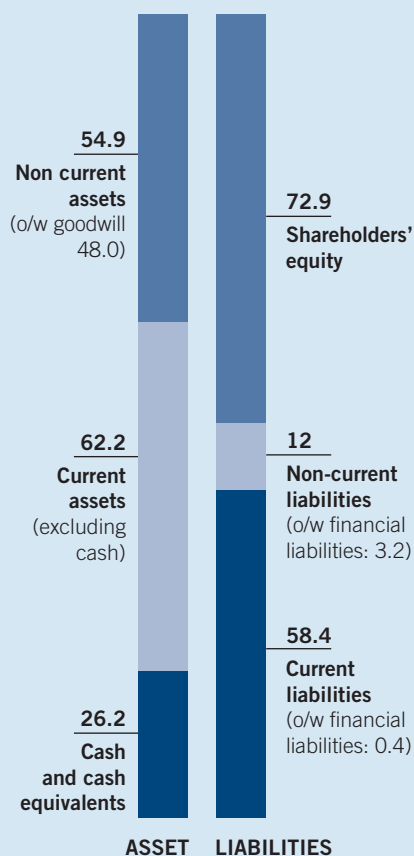
## Our top 20 clients in 2014/15

ENGIE	11%
EDF	11%
LA POSTE	8%
CRÉDIT AGRICOLE	6%
SNCF	6%
TOTAL	6%
BANQUE DE FRANCE	4%
BNP PARIBAS	3%
THALES	3%
AIR LIQUIDE	3%
SOCIÉTÉ GÉNÉRALE	2%
CARREFOUR	2%
ALLIANZ	2%
AXA	2%
BPCE	2%
CAISSE DES DÉPÔTS	1%
SAINT-GOBAIN	1%
MALAKOFF MEDERIC	1%
PÔLE EMPLOI	1%
LAFARGE	1%

## Key data for 2014/15

### Consolidated balance sheet

at 31 March 2015



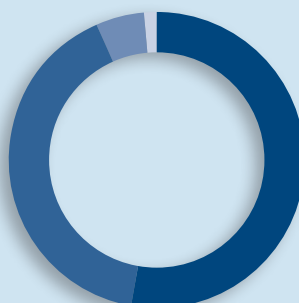
Consolidated figures at 31/03/15 (€m)

### Summary consolidated Income statement

Consolidated figures at 31/03 (€m)	2014/15	2013/14	% change
Revenues	163.1	141.6	+15%
Operating income on ordinary activities	21.1	18.2	+16%
<i>Ebit margin</i>	13.0%	12.9%	-
Operating profit	20.4	17.7	+15%
Net income, group share	12.6	10.9	+15%
<i>Net margin</i>	7.7%	7.7%	-

### Breakdown of share capital

at 31 March 2015



- 52.6% Founders and executive corporate officers
- 41.0% Free float
- 4.9% Employees
- 1.5% Treasury stock

No potential dilution

Dividend of €0.39<sup>(1)</sup> per share: up 18%

<sup>(1)</sup> Approved by the Annual General Meeting on 22 July 2015

### Financial calendar

21 July 2015	Q1 2015/16 revenues
22 July 2015	Annual General Meeting
21 October 2015	H1 2015/16 revenues
24 November 2015	H1 2015/16 results
21 January 2016	Q3 2015/16 revenues
28 April 2016	FY 2015/16 revenues
31 May 2016	FY 2015/16 results

### Stock-market data

Share price at 30/06/15  
€47.50

Number of shares  
4,966,882  
*No potential dilution*

Market capitalisation  
€236m

Enterprise value<sup>(2)</sup>  
€213m

#### Stock information

Market: Euronext Paris  
ISIN code: FR0004036036  
ICB: 9533 IT services  
Reuters: SLUC.PA  
Bloomberg: LCO:FP

Solucom is listed on the Euronext Tech40 index, is eligible to benefit from the PEA-PME share-savings plan, and was awarded the "Innovative Company" label by the French public investment bank, BPIFrance.

<sup>(2)</sup> Market capitalisation at 30/06/15 - Net cash at 31/03/15

# 2014/15: A DYNAMIC YEAR



## ● Three questions for...

### Tiphanie Bordier

*Chief Financial Officer*

#### **Company margins once again at the top end of the forecast range...**

Solucom's operating indicators remained solid over the period, with an end-of-year period much smoother than expected. The consultant activity ratio remained high at 83%, stable, year-on-year. Sales prices were also solid over the period, with the average daily rate up 0.7% to €718, in line with our full-year growth forecast of 0% to 1%. In addition, operating margin on ordinary activities came out at 13%, at the top end of our 11% to 13% forecast range. Net income came out at €12.6m, representing a net margin of 7.7%.

#### **Last year was also marked by a strengthening in Solucom's financial situation. What scope for manoeuvre does Solucom have today?**

Our solid set of results, together with tight trade-receivables management enabled us to increase operating cash flow by 37% to €14.6m last year. Despite external-growth investments amounting to €5.2m and total dividends of €1.6m distributed to our shareholders, the firm still generated cash of €6.1m over the 12-month period.

At 31 March 2015, our net cash position had risen to €22.6m for equity of €72.9m. With free cash of €26.2m and a confirmed credit line of €9.6m at the beginning of 2015/16, we have sufficient financial leeway to undertake our Up 2020 plan.

#### **Solucom posted dynamic growth of 15% in 2014/15. What factors underpinned this strong performance?**

By generating dynamic growth in revenues of 15% to €163.1m last year, we surpassed our objective, raised at end-November 2014 of full-year growth in excess of 12%. Solucom benefited from sustained organic growth of 11%, coupled with the full-year consolidation of the firms, Lumens Consultants and Trend Consultants, and the acquisitions of PEA Consulting's industrial activities, Audisoft Oxéa and the UK firm Hudson & Yorke, our first international acquisition. In terms of human resources, with a sharp rise in staff levels over the period and a churn rate still low at 10%, the Group amply fulfilled its recruitment-plan objectives.

At 31 March, the headcount totalled 1,514 employees, implying an increase of 14% over the period, of which 9% on a like-for-like basis.

**€163.1m**

full-year revenues

**13%**

EBIT

**€22.6m**

net cash



## **A THREE-FOLD AMBITION IN TERMS OF GROWTH, INTERNATIONAL EXPANSION AND VALUE CREATION**

Solucom's market has entered a new era, underpinned by the digital revolution. At the industrial and economic levels, this revolution is of such magnitude that it is causing tremendous upheavals for the Company's major clients who are being forced to carry out vital, far-reaching transformation programmes within the space of a few years.

This new situation is a tremendous opportunity for Solucom, which will be able to leverage its ability to extract value, by combining its knowledge in the Business and Technology segments, and draw on its experience in the disruptive innovations which have paved the way for digitisation.

Within the context of its new Up 2020 strategic plan, Solucom is looking to reach a new milestone in terms of size and step up its international expansion, so that it will be fully operational and ready to take on the large-scale transformations its clients will have to undertake in the years ahead.

The Company is also seeking to enhance the value of its offering by combining its vision, operational quality and innovation culture. Solucom's single ambition is to provide the best solutions to meet the strategic challenges of its clients.

This strategic plan is targeting three objectives for 2020:

- To reach the next stage of its development in terms of size, and generate annual revenue of €300m.
- To acquire a more global profile, so that international revenues will account for 20% of consolidated revenue.
- To develop the value-added content of its offering, and generate an EBIT of 15%.



– Jam Session –

### **A collective approach**

1,900 messages posted on the dedicated social network. 800 committed contributors. 700 participants involved in 27 workshops and 3 jam sessions. 40 surveys.

The strategic plan was the fruit of a truly collective effort which mobilised the firm's teams over six months around a variety of themes, such as talent, international expansion, corporate image, innovation, digitisation and winning market share, etc.





## ● Three questions for...

### Reza Maghsoudnia

*Director of Development*

secured two footholds in the UK and Morocco and concluded a partnership in Singapore. Our period of initiation is now over; its time to shift into high gear. And the challenge we have set ourselves for 2020 is to generate 20% of consolidated revenues abroad.

#### **What drivers exist to achieve this goal?**

Our strategy will focus on two or three strong-growth markets which are relevant to the large international groups that we are targeting. The first of these is the UK where we acquired Hudson&Yorke, in February 2015. This acquisition will serve as a spring board for our expansion in this market where we hope to build up significant positions within the next few years.

At the same time, we will explore other potential markets, such as Singapore, Hong-Kong, Brazil and Dubai in search of similar investment possibilities. In addition to building up our international positions, we will continue to explore our own regional markets to take advantage of any growth opportunities that these

offer. This is what we did in Morocco and more recently in Switzerland with the acquisition of Arthus Technologies in July 2015. We are also looking to gain a foothold in Belgium.

#### **What developments can we expect to see?**

Our aim is to build a global model; by that I mean to transform Solucom into a truly international Group. For example, in countries where we operate, we plan to manage our international accounts on a global basis, and provide the same value offering not just in France but across all of our markets, worldwide. This will enable us to provide the best solutions tailored to meet the challenges facing our clients wherever they may be. A global model also requires cultivating and fostering a strong team spirit in all of our regional markets around the same corporate project, while ensuring a perfect union between the different cultures and fields of expertise.

#### **Acquiring a more global profile: one of the three goals of the Up 2020 strategic plan...**

As the digital era progresses, the transformations our clients are undergoing are gaining a new momentum. The fact that these transformations are of such an unprecedented scale and taking on an increasingly more global profile has prompted Solucom to assume a decidedly more international status.

With Solucom 2015, we took our first steps on the international scene and by the end of the four-year period had

## ● 3 objectives for 2020

**€300m**

revenues



**20%**

of revenues generated  
outside France



**15%**

EBIT



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## 25 years of consultancy

### Vocation to guide and champion corporate transformation

Solucom was founded 25 years ago at a time when trends in Internet, the mobile phone and deregulation were, within a few years, to cause a revolution in the telecoms industry.

At the time, Solucom was positioned to provide players and end-users in the telecoms industry with counselling services designed to steer them through the tumultuous change caused by these disruptive innovations.

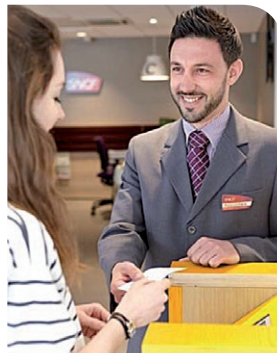
This experience has reinforced Solucom's belief that progress and disruptive technologies are unparalleled factors driving in-depth market transformation, and forcing sector players to call into question their acquired positions and devise new business models. Within a few years, the gap is set to widen between those who are prepared for, and will ultimately capitalise on change, and those who are not.

It is upon this principle that the Company's mission is founded: namely, to ensure that all of its clients are on the side of the winners.

The past 25 years have seen a steady flow of disruptive technologies. Today, the digital revolution is restructuring the markets, breaking down sector frontiers, giving rise to new business models and making it even more important than ever for players to have a perfect understanding of technological innovations and their consequences. This is the playing field for Solucom and its 1,500 employees.

“ Innovation and disruptive technologies are unparalleled factors driving in-depth market transformation, and forcing players to call into question their acquired positions and devise new business models. ”

### SNCF REVAMPS TICKET-SALES OUTLETS



With the prospect of a 50% reduction in ticket-office sales in train stations and agencies by 2020, the SNCF (French national railways) has launched a large-scale programme to transform its 1,300 sales outlets.

This raises the challenge of capitalising on the vast human network and giving it a new dimension designed to accommodate a revamped client-experience model.

The objectives of the programme are four-fold, namely to enhance the client experience, reposition ticket vendors on consulting and value-added activities, adapt the size of the network and renovate points of sale and modernise equipment by using cutting-edge technologies. This project is based on an innovative strategy that makes a real break with the past and in which Solucom consultants have been involved in for the past 3 years.

More details are given in Solucom's summary report entitled, "Réseaux physiques de vente à l'ère du digital, se transformer ou mourir" at [Solucom.fr/Publications](http://Solucom.fr/Publications)



## Up 2020: Solucom's new strategic plan

### A three-fold ambition in terms of growth, international expansion and value creation

The market on which Solucom operates has entered a new era, underpinned by the digital revolution. At the industrial and economic levels, this revolution is of such a scale that it is causing a tremendous upheaval for Solucom's major clients who are being required to carry out vital and significant transformation programmes within the space of a few years.

This new situation is a tremendous opportunity for Solucom, given the Company's ability to extract value by combining its knowledge in the Business and Technology environment, coupled with its track record in the disruptive innovations which have paved the way for digitisation.

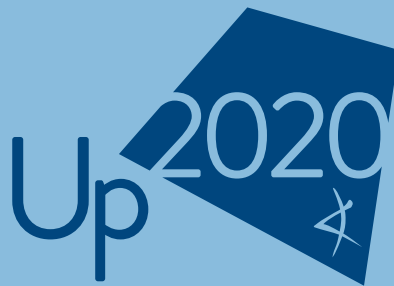
Within the context of its new strategic plan "Up 2020", Solucom is looking to expand its geographical reach and step up its international development, so that it will be fully operational and ready to take on the large-scale

transformations its clients will have to undertake in the years ahead.

Above all, the Group is also seeking to enhance the value of its offering by combining its vision, operational quality and innovation culture. Solucom's single ambition is to provide the best solutions to meet the strategic challenges of its clients.

For the Group, this goal presents a three-fold challenge;

- To reach the next stage of its development in terms of size and generate annual revenues of €300m.
- To acquire a more international profile, with a target of 20% of sales to be generated outside France.
- To enhance the value-added content of its offering and generate an operating margin on ordinary activities of 15%.



### 3 objectives for 2020

**€300m**

in revenues



**20%**

of sales generated  
outside France



**15%**

EBIT





## 360° consultancy solutions

Solucom's approach is founded upon the belief that the key to successful corporate transformation lies in the ability to simultaneously master business, organisational and technological challenges.

To this end, the Company has acquired business skills in five sectors of activity: banking, insurance, energy, transport and telecoms.

By combining these skills with its savoir-faire in operational excellence, as well as the technological expertise it has cultivated

over the years, Solucom is in a position to provide end-to-end solutions tailored to tackle every stage of its major clients' transformation projects.

In the context of the digital revolution, Solucom's unique consulting offering and in-depth knowledge of digitisation are strengths the Company can leverage every day to serve its clients and ensure the success of their transformation programmes.

This consultancy offering breaks down into six practices.



Solucom carried out several acquisitions in 2014/15 to enhance its offering:

- Audisoft Oxéa: specialised in the banking sector, this acquisition has boosted Solucom's offering in the "Business transformation - Banking and Insurance" practice, notably by contributing its state-of-the-art expertise in performance, legislation, compliance, internal control and risk management.
- Hudson & Yorke: a management consulting company specialised in strategic ICT consultancy with an impressive

track record in conducting large-scale ICT sourcing programmes in the UK, Europe and at worldwide level.

More recently, Solucom finalised two other acquisitions; that of Hapsis (in April 2015), a company specialised in risk management and digital security, and Arthus Technologies (in July 2015), a consulting firm based in Switzerland which is specialised in Information and communication technologies (ICT) consulting.

## Solucom sounding out the banks with OpinionWay

Exposed to constant regulatory change and the radical shift in consumers' banking needs and habits, the banking sector is feeling the full impact of this transformation movement. To gain a greater insight into how banks can address these challenges, Solucom together with the OpinionWay polling institution carried out a survey on trends in the banking market.

This partnership resulted in a series of reports published between mid-2014 and mid-2015 based on the findings taken from a sample of more than 2,000 French consumers.

For Solucom, the objective of this exercise was to elicit consumer opinions of trends in the banking sector and share these with the Group's major banking clients so that they could be used as a basis for strategic reflection.

## A portfolio of major client accounts

By choice, Solucom's client portfolio is made up exclusively of key accounts.

To develop the firm's business with these clients, we have built up a strong sales force to work closely with our teams of consultants.

The mission of this sales force is to develop close working relationships with every client in our portfolio, with the ultimate goal of making Solucom a preferred partner. To this end, our account managers are able to draw on a range of offerings that are regularly upgraded to be in phase with market expectations and our clients' individual challenges.

Customer loyalty is very high at Solucom. This is underscored by the fact that at least 90% of annual revenues are generated on missions undertaken for existing clients.

Solucom strives to maintain a balanced sector distribution in its revenue sources. This diversification ensures resilience to economic fluctuations and allows the Company to capture growth in the most dynamic sectors.

### Our top 20 clients in 2014/15

ENGIE	11%
EDF	11%
LA POSTE	8%
CRÉDIT AGRICOLE	6%
SNCF	6%
TOTAL	6%
BANQUE DE FRANCE	4%
BNP PARIBAS	3%
THALES	3%
AIR LIQUIDE	3%
SOCIÉTÉ GÉNÉRALE	2%
CARREFOUR	2%
ALLIANZ	2%
AXA	2%
BPCE	2%
CAISSE DES DÉPÔTS	1%
SAINT-GOBAIN	1%
MALAKOFF MEDERIC	1%
PÔLE EMPLOI	1%
LAFARGE	1%

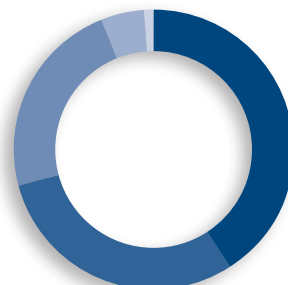
90%

of revenues generated  
by existing clients

2/3

of Solucom clients  
listed on the CAC 40

### Breakdown of 2014/15 revenues by sector of activity



- 41% Industry, Energy, Utilities
- 30% Banking, Insurance
- 23% Services, Transport, Distribution
- 5% Local authorities
- 1% Telecoms

## A privileged position on the market

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### A growth market

In 2014/15, the bulk of Solucom's revenues were generated in France. According to the PAC estimates, this market was worth around €5.2bn in France in 2014, and is expected to grow by 1.9% in 2015 and 2.6% in 2016.

After several years of tightening their belts, major clients now appear more inclined to commit to new investment and seem ready to enter a new investment cycle on the back of strong trends in the digital transformation movement which is affecting companies in all sectors.

With regard to the UK, where Solucom is expecting strong growth in activity within the context of its "Up 2020" strategic plan, the consulting market represents volumes of more than €7bn with expected growth of 7% in 2014, according to the UK analysis firm, SourceForConsulting.

### A diverse competition

The firm faces three main types of competition in its market:

- **Independent consultancies**, whose core business is consulting and includes large general consultancies as well as specialised ones: BearingPoint, Eurogroup, Kurt Salmon, Sia Partners, Weave.
- **Major IT consultancies**, which in addition to management and IS consulting provide all major IT services: Accenture, Capgemini, CGI, Sopra Steria.
- **Consulting "practices" or "advisories" of major audit firms** that have positioned themselves in the consultancy market: E&Y, Deloitte and PWC.

In this competitive landscape, Solucom has a privileged position thanks to its combination of two major advantages:

- A wide range of know-how (business, organisational, technological) meeting the expectations of clients facing the challenges of digital transformation.
- With an increasingly commanding footprint and position in the market, Solucom is now the 2nd-largest independent consulting firm in France.

### Solucom, a catalyst in its ecosystem

Through its consulting activity, Solucom enters into ongoing relationships with all the major players in the market: technology and solutions suppliers, outsourcing, innovative startups, think tanks. These relationships are part of the firm's market intelligence and technology watch activities and protect the firm's independence. This vast network of contacts will enable Solucom to position itself as a real catalyst within its own ecosystem.

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2<sup>nd</sup>

largest consulting firm  
in France



## Capitalising on and diffusing our savoir-faire: Solucom one step ahead

To consolidate and secure its status as a benchmark firm on the market, Solucom implemented a strategy to capitalise on its savoir-faire with a view to achieving one objective: that of building its own vision by leveraging the shared skills and expertise within the Company.

### A culture of excellence at the heart of our strategy

Solucom has brought together the finest talents in the market. These teams are all committed to the same objective: namely to reach the top level of expertise and savoir-faire in their particular field. To achieve this and to develop the Company's collective skills, Solucom carries out numerous actions throughout the year: internal and external training, technological watch and market intelligence, capitalisation of savoir-faire and development of methodologies and principles.

### Collective knowledge, the cornerstone of Solucom's vision

Solucom's Knowledge Management (KM) approach is designed to enhance the Company's collective expertise, and give all of its employees an active role in building the Solucom corporate vision. Skills management is monitored and run by a KM committee, a multidisciplinary body in the firm representing all of the Company's Practices. Solucom's Knowledge Management approach is organised around a single mechanism which is broken down into several KM units:

- **The KM Store:** a place where staff members can share key information and knowledge about the Company (studies, presentations, benchmarks, methodologies, etc.);
- **Jargon-buster workshops:** open to everyone and run by Solucom consultants, these weekly workshops are opportunities to circulate and share knowledge on key themes and methodologies of the Company (cybercrime, smart grids, digital workplace, Big data, etc.);
- **Communities:** networks of employees who share a common interest in a given field (be it on a specific theme or sector) with the goal of sharing experience feedback and circulating technological and market intelligence;

- **Convictions:** building Solucom's positions on a key issue often requires a collective effort in the face of criticism from key market players.

### Articles published and declarations made to communicate our corporate vision

Solucom has set up a communication policy to share its vision with the market and its thoughts concerning its main fields of competence.

- **Publications :** white papers, special features, newsletters, and enterprise-transformation intelligence reports can be downloaded from [www.solucom.fr](http://www.solucom.fr);
- **SolucomINSIGHT:** the Solucom consultants' online review offers insights and opinions on news related to organisations and information systems, via theme-based and sector-based features (IT projects and strategy, marketing & innovation, client relationships, etc.): [www.solucominsight.fr](http://www.solucominsight.fr);
- **Blogs:** DigitalCorner, EnergyStream, InsuranceSpeaker, Transportshaker and SecurityInsider. 5 blogs dedicated to the digital universe and innovation ([www.telcospinner-solucom.fr](http://www.telcospinner-solucom.fr)); energy ([www.energystream-solucom.fr](http://www.energystream-solucom.fr)), insurance ([www.insurancespeaker-solucom.fr](http://www.insurancespeaker-solucom.fr)), transport ([www.transportshaker-solucom.fr](http://www.transportshaker-solucom.fr)), and security ([www.securityinsider-solucom.fr](http://www.securityinsider-solucom.fr)).

### Solucom events: an opportunity to meet with market representatives and discuss our convictions

The Company has also created several «Solucom» events designed to offer its clients the opportunity to meet with the firm's teams on a regular basis: *Atelier Solucom* (Solucom workshop) *Escapes* (Stopover), *Club Innovation* (Innovation Club) and the *Club Mobilité* (Mobility Club). Note that, the Company created a new event this year: *Energycamps* (see below).



### Energycamps

Launched at the end of 2014, «Energycamps» is a participatory workshop, inspired by the best practices of the Barcamps and Open Spaces Sessions, for key players in the energy and digital sectors (clients, start-ups and institutional investors). Hosted by several players in the ecosystem, the first workshop was based on the theme "Métro, boulot, dodo : qui aura les clés de votre Smart city ?" – (The daily grind of commuting back and forth to work... then bed: who holds the keys to your Smart city?).



## Human resources: being an employer of choice



“ Solucom is very proud to be ranked a Great Place To Work® this year. This recognition underscores several fundamental aspects of our Human Resources strategy, and will, above all, serve as a driving force to help us better define our areas of growth in the future.”

*Fanny Rouhet  
Director of Human Resources Development*

—  
**+ 250**  
hirings/year

—  
**1,500**  
employees

Solucom is committed to being an employer of choice and a long-term player on the consulting market.

This strategy is based on:

- the recruitment of young graduates with high potential;
- the rapid ramp-up of employee skills and acquisition of responsibilities thanks to proactive career management;
- long-term development prospects, with a view to including employees in the corporate project.

Solucom's Human Resources strategy was founded on the respect for the company's values (demand, team spirit, simplicity, entrepreneurship) and breaks down into two areas.

### Recruitment: attracting the best talent in an extremely competitive market

#### Identifying and recruiting tomorrow's talent

The recruitment of high-potential young talent is central to Solucom's Human Resources strategy: around 80% of new employees are young graduates recruited from the most prestigious engineering and management schools and universities in France. For Solucom, the profile of the ideal candidate is someone who is highly qualified and has strong professional and human qualities, as well as an analytical mind and the ability to see the overall picture.

To identify and attract such talent, Solucom uses a range of diversified sourcing and reputation-related measures: fostering relationships with educational establishments, making recourse to recruitment agencies, participating in recruitment fairs and via head-hunting campaigns, the Internet and social networks.

#### An active partnership policy with higher-education establishments

Solucom has adopted a school-relations policy and set up close ties with around 30 prestigious schools and universities. Within this context, the Company works in close cooperation with faculty professors, training and careers departments and association networks.

This partnership policy is based on a comprehensive set of actions designed to transmit the savoir-faire inherent in the consulting business (project management, client relations) to students and to help them make their entry into the professional arena (CV workshops, simulated interviews, etc.). Every year, more than 100 trainees are integrated into the Company and trained by Solucom teams.

#### A recruitment process that is respectful to candidates

In 2013, Solucom published a Recruitment Charter setting out nine key commitments in terms of equal opportunity and the personalised monitoring of candidates. Rolled out internally to everyone involved in recruitment, this Charter aims to promote the principles of transparency and respect, which are central to Solucom's Human Resources strategy.

→ *Solucom's Recruitment Charter is available for consultation at:  
[Solucom.fr > careers](http://Solucom.fr > careers)*

## Human resources: retaining our employees and developing the firm's human potential

Given the nature of the Company's consulting activity, the management and development of human resources is a priority and a key success factor for Solucom. The Company strives to develop the potential of its young talents, support their skills development, and foster their loyalty.

### Fast and diversified development prospects

The rapid development of employee skills is achieved thanks to the Company's external and internal training programmes. Internal training seminars provided at the Solucom'university include business, communication and management modules. The three-fold objective of this programme is to support employee development in the long term, share best practices and feedback, and communicate corporate culture and values.

To ensure the rapid development of the Company's young talent in terms of skills acquisition and responsibility, Solucom makes every effort to ensure proactive career management. Based on the Solucomway core-competence framework, individual career-paths are organised by profession (consulting, business) and enable employees to plan out their own career-development paths. For example, the consulting career-path is based on five positions and integrates three routes: core consulting, expertise, and management.

### A competitive pay policy

Communicated on a totally transparently basis both internally and externally, this policy is based on three fundamental principles: competitiveness (regular benchmarking of the pay policies of players in the market), fairness and consistency among employees, and professionalism in the assessment of performance (common assessment standards and collective decision-making process, be it in terms of assessment or pay increases).

### Human relations and a high-quality working environment: well-being in the Solucom workplace

Ensuring the quality of the working environment and a work-life balance for its employees is an integral part of Solucom's Human Resources strategy. The Company strives to provide a daily working environment for their employees to pursue their careers that is pleasant to work in and conducive towards building trust.

### Sharing and team spirit

- Corporate life at Solucom is organised in such a way that employees can benefit from multiple opportunities to exchange ideas: induction seminars, practices forums, team dinners, annual party, etc.
- Proximity of management, operating as a network.

### Working environment and work/life balance

- Services for employees: private sports club at Company headquarters, company concierge services, etc.
- Specific measures for employees with children: company crèche, "Child sick days" policy, flexible working hours and telecommuting during pregnancy, gradual return to work after maternity leave, etc.

In 2013, the firm also declared its commitment to promoting the non-discrimination of employees with children by signing the Company Parenthood Charter.

### Employee well-being & health at work

In 2011, the Company implemented an action plan to prevent, identify and lend support to employees under excessive stress and/or suffering at work. HR representatives, HSWCC members and internal management teams are also trained in detecting employees in distress.

### Employee stakeholders in the corporate project

Central to its corporate model, Solucom is firmly committed to the principal of involving its employees in the development of the firm. To this end, the Company mobilises its teams on several in-house projects (knowledge management, relations with educational institutions, business development, recruitment, communication, Corporate Foundation), and involves them in drawing up the Company's corporate project.

Over a period of six months in 2014/15, Company employees participated in drawing up the Company's corporate project in numerous ways; by posting messages on the Company's social network (1,900 messages posted); participating in exchange workshops and other events such as Jam sessions (~700 participants).

The firm has also set up various mechanisms enabling employee shareholding in the Company. Employees now own around 5% of the Company's share capital.



In 2015, 69 firms with a staff of over 500 employees and reputed to be companies

that were good to work competed for the coveted GPTW® prize. The GPTW® assessment approach followed by Solucom is in line with the auditing and benchmarking measures used over the past few years within the context of its Human Resources strategy. Commenting on Solucom's success, Executive Director of the GPTW® Institute, Patrick Dumoulin stated, "For its first participation in the GPTW® ranking programme, Solucom has made a remarkable entry, ascending directly into 5th position. This company has proved its ability to grow and expand in a highly competitive sector, without ever losing sight of its key commitment to ensure the well-being of its employees."

## Human Resources labels and certifications



Solucom was awarded the 2014/15 HappyTrainees label for the quality of its trainee training courses.



2015 Great Place To Work®



Top Employers label awarded for the quality of the firm's Human Resources practices

# Corporate Social Responsibility

## A long-term CSR approach rooted in the firm's strategy

Solucom's CSR strategy is designed to structure and develop the Company's commitment in terms of sustainable development. This is based on concrete commitments in all areas of responsibility, and which are in line with ethical initiatives carried out by the Group, transparency issues and, more broadly, the Company's social, societal, environmental and economic performances.

This approach is designed to address Solucom's three-fold challenge to:

- conduct itself as a responsible business in its environment and sphere of influence;
- contribute towards enhancing the quality of its relationships with stakeholders
- ensure the compliance of the Company with applicable legal and regulatory obligations.

## Four key commitments to structure and orient its CSR policy

Over and above its obligations to ensure compliance at the legislative level, Solucom has structured its CSR strategy around responsible and professional practices and conduct for the service of all of its stakeholders with the ultimate goal to foster continuous improvement in its main areas of responsibility: social, environmental, societal and economic.

Solucom has identified four areas of CSR commitment, each with its own hierarchy of prioritised actions:

- To be a responsible and committed employer
- To reduce the firm's carbon footprint
- To promote equal opportunity and the elimination of all forms of discrimination in the workplace
- To guarantee Solucom stakeholders that we adhere to strict rules in terms of governance, transparency and ethics.

## Examples of citizen projects backed by Solucom

Solucom's approach with regard to its responsibility to society, is to promote equal opportunity and non-discrimination. Solucom's commitment is focused on three action areas in particular: education, access to higher education, occupational integration and employment.



### Solucom Corporate Foundation

The mission of the Solucom Corporate Foundation is to support and/or develop humanitarian projects, carried out in France and abroad, to combat child poverty and extreme deprivation.

Since its creation in 2009, the Foundation has backed more than 60 social-work projects, for the most part in Africa and Asia.

Every project monitored by the Company is sponsored by an employee of the firm.

For more information, visit: [www.fondation-solucom.fr](http://www.fondation-solucom.fr)

## CSR awards and labels



- **Gaïa Index:** In 2014, Solucom was ranked number one in the category of companies with revenues under €150m. The Gaïa Index is an SRI index for mid-cap companies with the highest non-financial performances.



- **Ecovadis:** Solucom received a Gold level rating from Ecovadis, an independent, non-financial rating agency specialised in assessing the CSR performances of corporate enterprises.



### How did the SOS Enfants Association come about?

The SOS Enfants Association was founded in 1982 along with the street school opened in the shantytown of Cité Soleil in Haiti. The school now has 600 pupils in classes going from kindergarten to college level. The members of the school board and some of the teachers are former pupils who wanted to give the children in the shantytown the same chance they had.

## Three questions for...

### SOS Enfants Association

Christel Rocheteau, *Executive Officer*

#### What is the mission of the SOS Enfants Association and what type of projects do you develop?

Our mission is to support local initiatives undertaken to fulfil certain needs. To this end, we conclude long-term partnerships to ensure that the actions we carry out are long-lasting, and can be developed and reproduced. The partnerships set up are founded on mutual trust and commitments given by all signatories, and require the approval of all parties involved.

#### How does the Association work with the Solucom Foundation?

A relationship of trust was installed five years ago during the programme to provide schooling for Bagyeli pygmy children in

Cameroon. Although this project wasn't easy, the Solucom Foundation supported us all the way and then agreed to accompany us in what turned out to be quite an usual goat-breeding programme in Rwanda, where goats were given to 50 families living in extremely vulnerable conditions. Those goats will give their first young goat to fifty other families. Working together on this project created and even reinforced the ties between us to an extent that far exceeded our expectations!

Our latest support project is the construction of a library in the primary school in North Kivu in the Democratic Republic of the Congo. Although we are still in the early stages of the project, we already know that it is going to create a lot of interest from around a hundred schools in the area which do not have libraries.

### Villebon – Georges Charpak Institute

Since 2012, Solucom has sponsored the Villebon – Georges Charpak training institute, a project with a social mission run jointly by the ParisTech Foundation, higher education bodies (major schools and universities), and the socioeconomic world.

The objective of this new pedagogical innovation project is to give all the pupils access to the highest levels of further education while guaranteeing their social, cultural and intellectual diversity... and reveal the scientific talents of the future.

Launched in September 2013, the Institute currently has two classes open for a total of around eighty students. Although the students have certain academic weaknesses, and come from underprivileged backgrounds (70% receive grants or are disabled), they all show promise.

Awarded the Excellence in Innovative Education (IDEFI) label in 2012, the Institute's educational approach is based on experimentation, interdisciplinarity and group working, in project mode.



The pedagogical approach deployed by the Institute notably regarding experimental, interdisciplinary and collective projects, was awarded the IDEFI (Initiative d'Excellence en Formations Innovantes) label for excellence in innovative training.

Within the context of this skills-sponsorship programme, Solucom notably encourages its consultants to volunteer and invest themselves in all areas of the project; professional insertion of students to help organise career-coaching workshops; training via trade conferences or company visits; student selection and sponsoring. At present, around twenty students from the Villebon Institute are being sponsored by a team of Solucom employees who help the students and advise them on putting together their professional projects.

For more information, visit: [www.villebon-charpak.fr](http://www.villebon-charpak.fr)

## CSR commitments



- **Global Compact:** as a signatory of the Global Compact since 2012, Solucom is committed to supporting and promoting, within its sphere of influence, the 10 universal principles of the Global Compact, including human rights, working standards, the environment and the fight against corruption.

For more information, visit: [www.unglobalcompact.org](http://www.unglobalcompact.org)



# Quality: client satisfaction at the heart of our approach

Solucom has defined and rolled out a quality incentive applicable to all of its services that are designed to guarantee client satisfaction.

This approach is based on a set of five principles laid down in the Company's Quality Charter:

1 Quality of services	All Solucom services must meet the Company's quality criteria and provide solutions designed to satisfy its clients' needs.
2 Permanent dialogue with clients	Relationships built on trust are established with clients enabling the permanent exchange of ideas and the state of progress on the services provided.
3 Complete commitment	A service cannot be terminated for any reason whatsoever until the client is completely satisfied.
4 Quality-impairment monitoring and treatment	As soon as there is any indication of quality-impairment, an analysis must be carried out and, if necessary, corrective actions taken until the defect has been completely resolved.
5 Mobilisation of the entire firm	Solucom and all of its employees are fully committed to implement the above-mentioned principles.

Solucom's quality policy is founded upon the principles laid down in this Charter as well as on the quality-initiative organisational structure, training and awareness actions carried out, consultant resources and the quality-risk detection and management process described below:

## Organisational structure

- A Quality Committee representing all Company functions is responsible for the firm's quality policy, as well as its continuous assessment and improvement.
- A Quality Manager is in charge of rolling out the initiative and associated processes, and assists employees.
- A network of quality contacts serves to identify and monitor client risks/alerts.
- The Quality Committee and the Quality Manager report directly to the Company's Executive Committee.

## Training and awareness actions

- From the day they arrive at Solucom, new employees are made aware of the firm's quality policy.
- In addition to this first awareness session, consultants and account managers receive training throughout their progression in the Company, within the context of their mandatory training programmes.

## Ressources

- Consultants are supplied with a set of tools, a compendium of good practices and model documents to ensure that the quality of the services they are in charge of meets Company standards and provide operational solutions when they are confronted by difficulties.

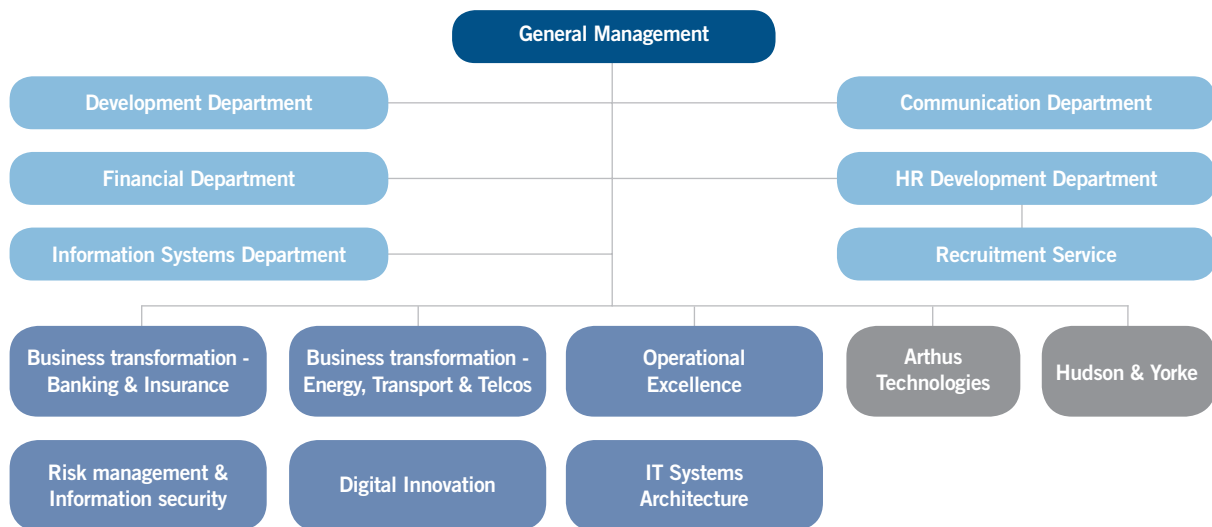
## Quality-risk detection and management process

- This process involves all management bodies and is integrated into the Company's steering mechanism.

## Indicators consolidated on a quarterly basis to measure the efficiency of this approach

- Every consulting firm has its own service-quality policy. At Solucom, this initiative is more than a duty; it is part of our DNA and the entire firm is committed to ensuring the quality of the services delivered to our clients.
- For example: Solucom consultants have no personal profit incentive in the missions they are in charge of. This guarantees that, for the Company's teams, nothing is more important than satisfying the client.

# An organisational structure fostering the pooling of knowledge and skills



## Organisational structure 2015/16

Solucom has adopted an organisational structure that fosters the pooling of skills and savoir-faire, ensures clients receive a consistent level of service, and promotes the development of inter-team synergies.

Company teams in France and Morocco are organised into six practices.

Solucom's practices represent the Company's expertise in a given field of intervention, and provide clients with value propositions that are both coherent and consistent over time. Each practice hosts one or more teams of consultants ("business lines") and support functions (HR, sales administration).

While most of the Company's teams are based in Paris some practices also include teams in Lyon.

In addition, Solucom has two regional offices (Solucom Atlantique and Solucom Méditerranée) and three international subsidiaries based in Morocco (Solucom Morocco), the UK (Hudson & Yorke) and Switzerland (Arthus Technologies). In terms of operational control, the two offices and the Moroccan subsidiary are attached to one of Solucom's practices, even when their scope of intervention extends beyond that of the practice they report to.

Activities other than those in France and Morocco, namely Hudson & Yorke (the UK), and Arthus Technologies (Switzerland), are attached directly to General Management.

Business lines are teams of consultants that constitute the productive power-house of the Company's practices. Each business line is dedicated to a specific area of expertise and as such responsible for one more offerings that can evolve over time.

The sales force, comprising account managers, key account managers and sales managers, is responsible for selling Solucom's services. All account managers market the Company's entire range of services to their clients.

The sales force is organised into small teams of roughly ten account managers, headed up by a sales manager.

## Development Department

The Development Department is in charge of steering the Company's external growth strategy, as well as its merger operations, new-acquisition integration processes, and international development.

## Corporate-function Departments

The Finance Department ensures the organisation and monitoring of the Company and its activities with a view to mastering and optimising performances, enhancing the security of operations and financing Company expansion. These functions are carried out by four divisions attached to the Finance Department: sales administration, accounting, management control and financial operations. The Finance Department is also in charge of producing legal and financial information.

The Communication Department is responsible for the Company's communication strategy and monitors the development of its corporate image and reputation.

The Human Resources Development Department is in charge of defining and implementing Solucom's Human Resources strategy. This department comprises three divisions: the recruitment team, which is responsible for carrying out the firm's recruitment strategy ; decentralised human-resources teams within each of the firm's practices and the personnel management team, in charge of pay and administrative management operations.

The Information-system division is in charge of planning, designing and implementing developments in the Company's Information Systems required to accommodate corporate strategy. As such, it is responsible for all hardware equipment (workstations, servers, network equipment, etc.) and software (office applications, business solutions), as well as for ensuring the availability of telecommunications services.

Knowledge Management, quality, and Corporate Social Responsibility are defined and monitored by multidisciplinary steering committees led by one or more members of the Company's Executive Committee.

## Company management

The management of the Company is ensured by the Executive Committee which is in charge of defining and implementing corporate strategy, as well as drawing up budgets and action plans.

The Executive Committee operates on a two-tier system based on plenary meetings, open to all members of the committee, and smaller, select meetings (steering committees).

**Plenary meetings**, held with all members of the Committee present debate corporate strategy, develop and oversee the implementation of the Company's strategic plan, and monitor non-operational development projects.

**Steering committee meetings** draw up action plans and annual budgets and ensure that the respective objectives are achieved. On a day-to-day basis, the Committee supervises the operations and activities of corporate-function services, oversees risk control, and adapts the processes and organisational structure of the Company to meet the challenges it is confronted with.

The members of the Executive Committee include:

- **Pascal Imbert**, Chairman of the Board
- **Patrick Hirigoyen**, Chief Operating Officer and member of the Management Board
- **Reza Maghsoudnia**, Development director
- **Marc de Montgolfier**, Deputy Sales Director
- **Anne Régnier**, Deputy Sales Director
- **Eric Baudin**, Executive Partner
- **Laurent Bellefin**, Executive Partner
- **Loïc Carpentier**, Executive Partner
- **Guillaume Chassard**, Executive Partner
- **Philippe Dajeau**, Executive Partner
- **Benoît Darde**, Executive Partner
- **Franck Devillaire**, Executive Partner and Manager of Arthus Technologies
- **Frédéric Goux**, Executive Partner
- **Siegfried Günther**, Executive Partner
- **Frédéric Lelièvre**, Executive Partner
- **Harry McDermott**, Lelièvre and Chairman of Hudson & Yorke
- **Mike Newlove**, Lelièvre and CEO of Hudson & Yorke
- **Pascal Nicaud**, Executive Partner
- **Olivier Schmitt**, Executive Partner
- **Laurent Stoupy**, Executive Partner
- **Harold Syfrig**, Executive Partner and Director of Arthus Technologies
- **Tiphonie Bordier**, Chief Financial Officer
- **Sarah Lamigeon**, Director of Communications
- **Fanny Rouhet**, Director of Human Resources development

## Legal structure in July 2015

The Solucom group comprises the Solucom parent company and five subsidiaries including:

- SLM Consulting<sup>(1)</sup>, fully owned by Solucom
- Hudson & Yorke, fully owned by Solucom
- Financière BFC, fully owned by Solucom
- Audisoft Oxéa, fully owned by Financière BFC
- Arthus Technologies fully owned by Solucom (since 02/07/15)

Solucom encompasses the firm's pooled departments and services, as well as the business lines which represent a major part of the Company's operating activity.

Solucom's subsidiaries include other business lines which, like the parent company, carry out consulting missions in their respective specialist fields.

More details concerning the key figures of the end-March 2015 income statements of each subsidiary, and the asset transfers carried out over the period are given in the paragraph on Trends in Chapter 2 of the present Registration Document.

Within the Group, the Solucom parent company holds most of the assets required to carry out operations. Solucom subsidiaries pay royalties to the parent company for the right to use its assets (premises, technical resources). In addition, while subsidiaries may own some assets considered necessary for them to carry out their own operations they do not hold any assets that are strategic for the Company.

Within the context of synergies set up between the Company's subsidiaries, several partnerships have been set up, for the most part to run joint operations. Joint operations involving several Solucom companies are carried out by way of internal subcontracting agreements. The breakdown of the Group's internal invoicing for the fiscal year ended 31/03/15 is given in the table below.

		Suppliers									
		Solucom	SLM Consulting	Alturia	Eveho Conseil	Stance	Lumens Consultants	Trend Consultants	Audisoft Oxéa	Financière BFC	Hudson & Yorke
Customers	(in €K)										
	Solucom		154	1,106	476	2,189	1,281	400	102	-	-
	SLM Consulting	134		-	-	5	-	12	-	-	-
	Alturia	81	-		15	-	-	-	-	-	-
	Eveho Conseil	30	-	97		50	-	-	-	-	-
	Stance	521	-	-	-		86	-	-	-	-
	Lumens Consultants	3	-	-	-	-		-	-	-	-
	Trend Consultants	18	-	-	-	-	49		-	-	-
	Audisoft Oxéa	8	-	-	-	-	-	-		-	-
	Financière BFC	-	-	-	-	-	-	-	-		-
Hudson & Yorke	-	-	-	-	-	-	-	-	-		

Other internal invoicing corresponds to the pooling of Group-wide resources: sharing of premises, technical resources, central cash management and the pooling of certain support functions.

## Management and Supervisory Boards

The Management Board is composed of:

- **Pascal Imbert**, Chairman of the Management Board
- **Patrick Hirigoyen**, member of the Management Board

At 01/04/15, the Supervisory Board was composed of four members:

- **Michel Dancoisne**, Chairman of the Supervisory Board
- **Jean-François Perret**, Vice Chairman of the Supervisory Board
- **Nathalie Wright**, member of the Supervisory Board
- **Marie-Ange Verdickt**, member of the Supervisory Board.

The biographies of the members of the Supervisory Board are given in Chapter 4 ("Corporate Governance") of the Report of the Chairman of the Supervisory Board.

(1) Name of Solucom's subsidiary in Morocco.

## Investment and asset policy

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Because of the nature of Solucom's activity, Company investment is limited to computer equipment, the purchase of software licences, office furniture and fittings needed for ongoing operations.

These transactions are either booked as investments, or are financed via leasing contracts (hardware financed on a lease-purchase basis and acquired at the end of the lease period).

Investments (in thousands of euros)	31/03/13	31/03/14	31/03/15
Tangible and intangible assets:	927*	1,938**	913***

\* o/w €296k financed via leasing contracts

\*\* o/w €413k financed via leasing contracts

\*\*\* o/w €598k financed via leasing contracts

# Solucom offices

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## Head office

Tour Franklin  
100-101, terrasse Boieldieu  
92042 Paris La Défense Cedex

## Regional offices

- Lyon
- Marseille
- Nantes

## International offices

- Casablanca (Morocco)
- Geneva (Switzerland) via the company Arthus Technologies acquired in July 2015
- London (the UK) via the company Hudson & Yorke acquired in February 2015.

All premises occupied by the Company are rented from owners independent of Solucom and its subsidiaries.



2

# Management Report

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## Management Board Report

### to the 22/07/15 Combined Ordinary and Extraordinary Shareholders

To the shareholders,

We have convened this Combined Ordinary and Extraordinary Shareholders' Meeting as required by law and our Company's Articles of Association.

The Notice of Meeting and all documentation specified by the applicable regulations have been duly sent or made available to you, within the legal deadlines.

The purpose of this Report is to present the situation of the Solucom Group which comprises the Solucom<sup>(1)</sup> company and its subsidiaries. The report includes the General Report of the Management Report" together with the reports on Corporate Social Responsibility; Risk factors and Additional notes.

This report also constitutes the Management Report referred to in article 222-3 of the General Regulations of the French Financial Markets Authority (AMF), which is an integral part of the annual financial statements as specified in Article L. 451-1-2 of the French financial and monetary code.

(1) As a rule, Solucom, the parent company of the Solucom consulting firm, is referred to as Solucom in this document.

# Management Board Report

## General Report

### 1. Key events and outlook

#### Dynamic 15% growth

At end-March 2015, Solucom reported growth of 15% in consolidated full-year revenues to €163.1m thus surpassing management guidance, raised at end-November 2014 of full-year growth in excess of 12%.

Full-year organic growth, sustained at 11%, was driven by the consolidation of Lumens Consultants and the acquisitions of the industrial activities of PEA Consulting, as well as the companies Audisoft Oxéa and Hudson & Yorke during the fiscal year.

Staff levels rose sharply over the period with the Group fulfilling its recruitment-plan objectives and a staff turnover rate still low at 10%. At end-March 2015, the headcount totalled 1,514 employees versus the year-earlier level of 1,327 reflecting an increase of 14% over the period, of which +9% on a like-for-like basis.

#### Solid operating indicators

Solucom's operating indicators were solid over the period, with an end-of-year period much smoother than expected.

In 2014/15, the activity ratio remained stable on 2013/14 levels at 83%.

The average daily rate came out at €718, up 0.7% on year-earlier levels, in line with guidance given at the beginning of the fiscal period of growth in the range of 0 to 1%.

Nevertheless, visibility remains limited with the 31/03/15 order book standing at 3.3 months.

#### Operating margin on ordinary activities of 13% at the top end of the Group's forecast range

At end-2014/15, operating income on ordinary activities rose 16% year-on-year to €21.1m and operating margin on ordinary activities edged up to 13%, from 12.9% at end-2013/14, at the top end of Group's forecast range of between 11% and 13% given at the beginning of the year.

Factoring in other operating income and expenses amounting to €0.7m, the bulk of which in costs attached to acquisitions carried out during the fiscal period, operating income advanced 15% year-on-year to €20.4m.

Group share of net income at end 2014/15 also rose 15% on year-earlier levels to €12.6m. Net margins remained stable on the year-earlier level or 7.7%.

#### Growth in net cash

Thanks to the Group's strong cash flow generation capacity related to tight client management, Solucom generated €14.6m in 2014/15, up 38% year-on-year.

At 31/03/15, the Group's net cash position stood at €22.6m up from €16.6m at end 2013/14 despite cash outlays attached to acquisitions and dividend payouts. Financial investments attached to acquisitions remained limited over the period at €2.1m.

Shareholders' equity stood at €72.9m at end 2014/15.

At the 22/07/15 Shareholders' General Meeting, management will submit the proposal of a dividend payout of €0.39 per share, up 18% year-on-year.

#### Success of the Solucom 2015 strategic plan

At end-2014/15, Solucom had achieved all the objectives laid out in its 2015 strategic plan, launched in 2011.

With more than 35% of consolidated sales generated in the management consulting segment, the firm has secured solid positions with the clients of its customers and demonstrated its expertise in the field of Business and Technology.

The dynamic profile of Solucom's international strategy began to take shape via 2 footholds acquired in the UK and Morocco, and a strategic partnership concluded in Singapore.

Within the context of this plan, Solucom also delivered sustained organic growth and carried out 8 acquisitions resulting in a dramatic change in the size of the company. These external growth activities have had a significant impact on the size of the company boosting consolidated revenues by more than 60% from €108m when the plan was launched to the current level of €175m.

#### "Up 2020": the new Solucom strategic plan

The market has now entered a new era, underpinned by the digital revolution. Both at the industrial and economic levels, this revolution is of such a scale that it is causing a tremendous upheaval for Solucom's clients. These organisations will have to carry out vital and significant transformation programmes within the space of a few years.

This new situation is clearly a tremendous opportunity for Solucom, given the Company's ability to extract value by combining its knowledge in the Business and Technology environment, coupled with its track record associated to the disruptive innovations which have paved the way for digitisation.

Within the context of its new strategic plan, “Up 2020”, Solucom is looking to reinforce its geographical presence and step up its international development, so that it will be fully operational and ready to take on the large-scale transformations ahead.

Above all, the Group is also seeking to enhance the value of its offering by combining its vision, its operational quality and its culture of innovation with a view to providing its clients with the best solution to meet their strategic challenges.

For 2020, Solucom has fixed several objectives, namely to:

- reach the next stage of its development in terms of size, and generate sales of €300m;

## 2. Group activity

### 2.1. Consolidated Financial Statements

At 31/03/15, the Group’s consolidated financial statements comprised the financial statements of the Solucom parent company, Lumens Consultants, Trend Consultants and SLM Consulting over twelve months, of Stance over nine months, of Audisoft Oxéa over five months, of Alturia Consulting and Eveho over three months and of Hudson & Yorke over one month.

(in thousands of euros)	2014/15	2013/14	% change
Revenue	163,147	141,622	15%
EBIT	21,135	18,243	16%
<i>EBIT margin</i>	<i>13.0%</i>	<i>12.9%</i>	-
Operating profit	20,422	17,686	15%
Net income, Group share	12,592	10,946	15%
<i>Net margin</i>	<i>7.7%</i>	<i>7.7%</i>	-

At end of 2014/15, consolidated revenues came out at €163,147k, implying a 15% increase on the 2013/14 level of €141,622m.

EBIT stood at €21,135k (after employee profit-sharing), up 16% on the year-earlier level of €18,243k.

Operating margin on ordinary activities (obtained by dividing operating income on ordinary activities by revenue) edged up from 12.9% at end-March 2014 to 13% at 31/03/15. Note that the 2014/15 EBIT margin factors in a research tax credit. Restated for this research tax credit, the EBIT margin comes out at 12.2%.

Factoring in other non-recurring operating income and charges, operating income rose 15% on the year-earlier level of €17,686m to €20,422m.

- acquire a more global profile with 20% of sales generated abroad
- develop the value-added content of its offering, and generate an EBIT margin of 15%.

### Outlook for 2015/16

For 2015/16, the first year of the Group’s new strategic plan, Solucom is targeting revenue growth (excluding acquisitions) in excess of 12% and an EBIT margin of between 11% and 13%.

At 31/03/14, the Group’s consolidated financial statements comprised the financial statements of the Solucom parent company, Alturia Consulting, Eveho, Stance Partners and SLM Consulting over twelve months, as well as those of Lumens Consultants over four months and those of Trend Consultants over three months.

Other non-recurring operating charges break down as follows:

- acquisition costs of €663m;
- provisions amounting to €50k for the Solucom Corporate Foundation.

Cost of net financial debt at €165k over the period comprised financial income of €74m and financial expenses of (€238m). This compares with a cost of net financial debt of €198k in 2013/14.

Pre-tax income over the period rose 16% on the year-earlier level of €17,476k to €20,203k.

Tax on earnings in 2014/15 came out at €7,611k, versus the year-earlier level of €6,530k.

Net income for the period was €12,592k, implying a net margin of 7.7%. This represents a 15% increase on the 2013/14 level of €10,946k.

Given the absence of minority interests, group share of net income also rose 15%, coming out at €12,592k compared with €10,946k in 2013/14.

(in thousands of euros)	31/03/15	31/03/14	% change
Non-current assets	54,927	48,774	13%
<i>o/w goodwill</i>	47,998	41,077	17%
Current assets (excluding cash)	62,227	56,063	11%
Cash and cash equivalent	26,162	20,034	31%
Shareholders' equity	72,909	63,880	14%
Non-current liabilities	12,048	8,067	49%
<i>o/w financial liabilities</i>	3,213	3,131	3%
Current liabilities	58,360	52,925	10%
<i>o/w financial liabilities</i>	377	345	9%
<b>Total balance sheet</b>	<b>143,317</b>	<b>124,871</b>	<b>15%</b>

At the consolidated level, the Group boasted net cash of €72,909k at 31/03/15, up 14% on the end 2013/14 level of €63,880k.

Restated for bank borrowings (overdrafts and accrued interest due), net cash widened to €26,154k at 31/03/15, from €20,025k at end 2013/14.

Financial liabilities totalled €3,590k at 31/03/15 versus the year-earlier level of €3,476k. Excluding bank overdrafts,

financial liabilities came out at €3,582k, of which €2,996k in bank debt and miscellaneous financial debt, and €586k in borrowings attached to the restatement of leasing contracts. For the record, financial liabilities restated for bank overdrafts totalled €3,467k at 31/03/14.

At end 2014/15, the Solucom company (with net financial debt negative, excluding treasury stock) boasted a net cash position <sup>(1)</sup> of €22,572k versus the year-earlier level of €16,558k.

The elements underpinning growth in the Company's 2014/15 net cash are outlined in the table below.

(in thousands of euros)	31/03/15	31/03/14
Gross cash flow <sup>(1)</sup>	14,512	11,671
Change in working capital requirements	44	(1,022)
Net cash flow from operating activities	14,556	10,648
Net cash flow from investments	(6 886)	(6 513)
net cash flow from financing operations	(1,540)	(2, 221)
<b>Change in cash and cash equivalent</b>	<b>6,129</b>	<b>1,914</b>

(1) After cost of net financial debt and current tax expenses.

These mainly comprise:

- a gross cash flow margin of €14,512k plus a €44k reduction in working capital requirement, making for net cash flow from operations of €14,556k over the period;
- a dividend payout of €1,620k;
- investments amounting to €983k ;
- the change in the level of financial asset investments totalling €741k over the period;
- cash outlays related to scope of consolidation changes amounting to €5, 201k.

Note that the Company does not make any recourse to factoring or discounting.

## 2.2. Corporate Financial Statements

At the parent-company level, Solucom reported revenues of €152,910k up 17% on €130,227k in 2013/14.

Operating income before employee profit-sharing rose 8% year-on-year from €17,081k to €18,497k, making for an operating margin of 12.1%, versus 13.1% in 2013/14.

Financial expenses came out at €273k (vs. financial income of €85k generated in 2013/14) of which (€174k) in technical merger losses and (€195k) in net interest, plus €90k in interest received on cash investments and capital gains on financial income, and €27k in net currency gains.

(1) Gross cash less financial liabilities



Exceptional losses amounted to (€208k) over the period of which (€166k) related to the value of treasury shares attributed definitively within the context of the Company's free-share plans, (€50k) in provisions for the Solucom Corporate Foundation and (€86k) in provisions for depreciation corresponding to a management-tool module, together with liquidity-contract capital gains and losses totalling €108k. This compares with an exceptional loss of €754k reported in 2013/14.

Tax on earnings in 2014/15 came out at €3,954k, versus the year-earlier level of €3,740k.

### 2.3. Trade payables

In accordance with the regulatory dispositions in force since 01/01/09, the year-end balance of trade receivables in 2013/14 and 2014/15 are given in the table below.

These are expressed in thousands of euros and exclusively concern the Solucom parent company.

(in thousands of euros)	< 30 days		30 to 60 days		Total	
	31/03/14	31/03/15	31/03/14	31/03/15	31/03/14	31/03/15
External suppliers	3,094	576	960	3,061	4,055	3,637
Internal suppliers to the firm	0	0	1,046	76	1,046	76
<b>Total</b>	<b>3,094</b>	<b>576</b>	<b>2,006</b>	<b>3,137</b>	<b>5,100</b>	<b>3,713</b>
<i>Supplier invoices not received</i>					3,311	3,329
<i>Supplier payables on the balance sheet</i>					8,411	7,043

At 31/03/15, accrued trade payables comprised payments due to external suppliers to the tune of €3,083k and to internal suppliers of €246k.

### 2.4. Legal developments in 2014/15

#### 2.4.1. Early dissolution without liquidation of Alturia, a 100%-owned subsidiary of Solucom, with transfer of assets to the Solucom parent company

The assets of Alturia Consulting a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/05/14 by the sole shareholder of the merged companies.

This asset transfer was carried out in accordance with the conditions laid down in Article 1844-5, paragraph 3 of the Civil Code for the purposes of simplifying and rationalising the internal structure of the Solucom company.

Employee profit-sharing amounted to €1,993k in 2014/15 versus €1,830k in 2013/14.

In the light of the above, Group share of net income widened to €12 069k at end-March 2015, compared with the year-earlier level of €10,841k.

Shareholders' equity totalled €76,028k at 31/03/15, vs. €65,579k at end-March 2014.

Net cash (excluding shareholders' equity and factoring in bank debt of €3,089k) totalled €21,116k at 31/03/15, down slightly on the year-earlier level of €12,485k.

The operation was finalised at the end of the creditor-opposition period fixed by law. As such, the assets and liabilities of Alturia were transferred to Solucom at the legal and accounting levels on 28/06/14, and at the fiscal level with retroactive effect to 01/04/14.

At the fiscal level, Solucom also requested the transfer of Alturia's deficit, in accordance with dispositions set forth in Article 209 II of the French General Tax Code. The request for approval, submitted and filed on 18/06/14, is currently being processed by the French Public Finances General Directorate.

Alturia was removed from the Trade and Companies Register on 02/07/14.

#### **2.4.2. Early dissolution without liquidation of Eveho Conseil, a 100%-owned subsidiary of Solucom, with transfer of assets to the Solucom parent company**

The assets of Eveho Conseil, a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/05/14 by the sole shareholder of the merged company.

This asset transfer was carried out in accordance with the conditions laid down in Article 1844-5, paragraph 3 of the Civil Code for the purposes of simplifying and rationalising the internal structure of the Solucom company.

The operation was finalised at the end of the creditor-opposition period fixed by law. As such, Eveho Conseil's assets were transferred to Solucom at the legal, accounting and social levels on 28/06/14, and at the fiscal level with retroactive effect to 01/04/14.

Eveho was removed from the Trade and Companies Register on 02/07/14.

#### **2.4.3. Acquisition of the industrial activities of PEA Consulting**

On 10/10/14, Solucom acquired the industrial activities of PEA Consulting,

Founded in 1992, PEA Consulting is a reference supplier of supply chain consulting services.

With a staff of around ten employees, the industrial activities division provides industrial-performance, supply-chain, SI and risk-management solutions to a number of key industrial accounts.

This acquisition was financed exclusively in cash.

PEA Consulting's industrial assets were consolidated in Solucom's accounts over six months in 2014/15 (i.e. as of 01/10/14).

#### **2.4.4. Takeover of Audisoft Oxéa**

On 29/10/14, Solucom acquired a 100% stake in Audisoft Oxéa, a consulting firm owned exclusively by BFC, a financial holding company without any business operations.

Founded in 1998, Audisoft Oxéa is a management consulting firm that provides major players in the financial sector with support solutions designed to address the challenges they face in terms of performance, legislation, compliance, internal controls and risk management. Audisoft Oxéa's expertise is also widely recognised throughout the market place, notably by the supervisory authorities and regulators (the ACPR, the French Prudential Supervisory Authority, and the AMF).

This acquisition was financed exclusively in cash.

Audisoft Oxéa was consolidated in Solucom's accounts over five months in 2014/15 (i.e. as of 01/11/14).

#### **2.4.5. Early dissolution without liquidation of Stance Partners, a 100%-owned subsidiary of Solucom, with transfer of assets to the Solucom parent company**

The assets of Stance Partners, a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/11/14 by the sole shareholder of the merged companies.

This asset transfer was carried out in accordance with the conditions laid down in Article 1844-5, paragraph 3 of the Civil Code for the purposes of simplifying and rationalising the internal structure of the Solucom company.

The operation was finalised at the end of the creditor-opposition period fixed by law. As such, the assets and liabilities of Stance Partners were transferred to Solucom at the legal, accounting and social levels on 31/12/14, and at the fiscal level with retroactive effect to 01/04/14.

Stance Partners was removed from the Trade and Companies Register on 31/12/14.

#### **2.4.6. Partnership between Solucom and Why innovation! in Singapore**

On 21/1/15, Solucom and Singapore-based Why innovation!, entered into a partnership to better meet the specific needs of their respective clients.

Why innovation! is a consulting firm specialised in corporate agile-transformation. The company's client portfolio features some of the leading players in the Finance, Transport and Industry sectors.

This partnership optimises the geographic fit of both parties while capitalising on the significant similarities the companies share in terms of savoir-faire and client approach. In addition, the high value-added positioning of Why innovation! with some major client accounts is completely in line with the objectives of our international development strategy.

Details related to the finalisation of the agreement were reported in a press release published on the Solucom corporate Internet site ([www.solucom.fr](http://www.solucom.fr)) on 21/01/15.

#### **2.4.7. Acquisition of UK-based consulting firm Hudson & Yorke**

In accordance with the protocol dated 12/02/15, Solucom acquired a 100% stake in Hudson & Yorke, a consulting firm based in London. This operation is in line with Solucom's strategy to gradually extend its international reach.

Founded in 2006, Hudson & Yorke is a management consulting firm specialised in strategic ICT consultancy. Its offering includes support to clients conducting large-scale ICT sourcing programmes in the UK, Europe and at worldwide level.

The acquisition of Hudson & Yorke offers Solucom the two-fold opportunity of gaining a foothold in a key consulting market and strengthening its client portfolio with the addition of blue chip multinationals. The merger will also enable Solucom to provide its French clients with better advice for their UK-based operations.

This acquisition was financed exclusively in cash.

Hudson & Yorke was consolidated in Solucom's accounts over one month in 2014/15 (i.e. as of 01/03/15).

#### **2.4.8. Eligibility of Solucom shares for PEA-PME scheme**

For the record, a PEA-PME stock savings plan scheme designed to finance SME and mid-tier companies was set up in early March 2014 alongside the PEA equity savings plan.

Companies with a staff of less than 5,000 employees, revenues of under €1.5bn and a balance sheet total not exceeding €2bn are eligible for the PEA-PME scheme. These eligibility-threshold criteria must be assessed on the basis that the Company may eventually become part of a Group.

In a press release published by the Group on 26/03/15, Solucom confirmed that it complied with all of the PEA-PME eligibility criteria in accordance with the French application decree n° 2014-283, dated 04/03/14.

Accordingly, Solucom shares remain eligible for incorporation into PEA-PME accounts which, for the record, benefit from the same tax benefits as traditional equity savings plans (PEA).

#### **2.4.9. Early dissolution without liquidation of Lumens Consultants, a 100%-owned subsidiary of Solucom, with transfer of assets to the Solucom parent company**

The assets of Lumens Consultants, a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 26/02/15 by the sole shareholder of the merged company.

This asset transfer was carried out in accordance with the conditions laid down in Article 1844-5, paragraph 3 of the Civil Code for the purposes of simplifying and rationalising the internal structure of the Solucom company.

The operation was finalised at the end of the creditor-opposition period fixed by law. As such, Lumens Consultants' assets and liabilities were transferred to Solucom on 31/03/15.

Lumens Consultants was removed from the Trade and Companies Register on 01/04/15.

#### **2.4.10. Early dissolution without liquidation of Trend Consultants, a 100%-owned subsidiary of Solucom, with transfer of assets to the Solucom parent company**

The assets of Trend Consultants, a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 26/02/15 by the sole shareholder of the merged company.

This asset transfer was carried out in accordance with the conditions laid down in Article 1844-5, paragraph 3 of the Civil Code for the purposes of simplifying and rationalising the internal structure of the Solucom company.

The operation was finalised at the end of the creditor-opposition period fixed by law. As such, all of Trend Consultants' assets were transferred to Solucom on 31/03/15.

Trend Consultants was removed from the Trade and Companies Register on 01/04/15.

#### **2.4.11. Allocation of free shares**

For details on the allocation of free shares, see paragraph 4.2 below.

#### **2.4.12. Profit share bonus ('Prime de partage du profit')**

Social Security Finance Act n° 2014-1554 dated 22/12/14 repealed the employee bonus on dividends ('Prime de partage du profit').

For the record, before this law was passed, in accordance with dispositions laid down in articles L.3322-6 and L.3322-7 of the French Labour Code, dividend bonuses were awarded to employees in the event of an increase in dividends relative to the previous two years.

At the 11/07/14 Combined Ordinary and Extraordinary Shareholders Meeting, Company shareholders voted to increase the dividend payout from the average dividend levels applied in the preceding two years. As such, Solucom attributed a profit share bonus, in accordance with the agreement signed with the company's central works council on 30/09/14.

## 2.5. Post-closure events

### 2.5.1. Acquisition of Hapsis assets

In accordance with the protocol dated 01/04/15, Solucom acquired a 100% stake in Hapsis.

Founded in 2002, Hapsis is an independent consulting firm specialised in risk management and digital security. The firm's client portfolio includes several key accounts, notably in the

banking sector.

This merger is in line with Solucom's strategy to step up its expansion in the cyber-security consulting, a market which is in the full throes of growth with the rising threat of cyber-attacks.

This acquisition was financed exclusively in cash.

The assets of Hapsis were consolidated in Solucom's accounts as of 01/04/15.

## 2.6. Subsidiaries and equity interests

### Activities of subsidiaries and equity interests

12-month period ended 31/03/15 unless indicated otherwise

(in thousands of euros)	Revenues	Growth	Operating profit	Operating margin (%)
<b>SLM Consulting</b> <sup>(1)</sup>	483	-12%	31	6.4%
<b>Alturia</b> <sup>(2)</sup>	1,737	n/a	(173)	-10.0%
<b>Eveho Conseil</b> <sup>(3)</sup>	978	n/a	(99)	-10.1%
<b>Stance</b> <sup>(4)</sup>	4,617	n/a	217	4.7%
<b>Lumens Consultants</b> <sup>(5)</sup>	3,641	n/a	165	4.5%
<b>Trend Consultants</b> <sup>(6)</sup>	2,873	n/a	346	12.0%
<b>Audisoft Oxéa</b> <sup>(7)</sup>	5,934	n/a	(2)	0.0%
<b>Financière BFC</b> <sup>(8)</sup>	248	n/a	115	46.4%
<b>Hudson &amp; Yorke</b> <sup>(9)</sup>	4,710	20%	778	16.5%

(1) Growth rate on a constant exchange-rate basis (negative growth of 11% at closing exchange rates).

(2) Change relative to previous year not applicable given that all of Alturia's assets were transferred to Solucom on 30/06/14.

(3) Change relative to previous year not applicable given that all of Eveho Conseil's assets were transferred to Solucom on 30/06/14.

(4) Change relative to previous year not applicable given that all of Stance's assets were transferred to Solucom on 31/12/14.

(5) Lumens Consultants' data at 31/03/14 include data relative to the Lumens Group over 9 months, from 1/07/13 to 31/03/14; this company having been merged with Lumens Consultants on 31/03/14, with a retroactive effect to 01/07/13. Change relative to the preceding year not applicable. All of Lumens Consultants' assets were transferred to Solucom on 31/03/15.

(6) 15-month fiscal period ended 31/03/14. Change relative to the preceding year not applicable given twelve-month fiscal period at year ended 31/03/15. All of Trend Consultants' assets were transferred to Solucom on 31/03/15.

(7) 15-month fiscal period ended 31/03/15. Change relative to the preceding year not applicable given twelve-month fiscal period at year ended 31/12/13.

(8) 15-month fiscal period ended 31/03/15. Change relative to the preceding year not applicable given twelve-month fiscal period at year ended 31/12/13.

(9) Growth rate on a constant exchange-rate basis (+ 30% at closing exchange rates).

### Equity acquisitions and takeovers

Details on equity acquisitions and takeovers are given in paragraphs 2.4.4 and 2.4.7 above.

### Cross (reciprocal) shareholdings

None.

### Disposal of equity interests

None.

## 2.7. R&D activities

Solucom was awarded the "Innovative Company" label by the French public investment bank, BPIFrance: this qualification was renewed on 25/02/14 for a period of three years.

The Company carries out R&D activities on a regular basis. Nevertheless, these activities are capitalised on an exceptional basis only.

Some of these are eligible for the French research tax credit.

As such, in fiscal 2014/15, Solucom benefited from a research tax credit relative to 2014 in the amount of €1,162k.

## 2.8. Debt and dividend policy

Being a growth company, Solucom reinvests the bulk of its profits in the Company to finance its development. Within the context of its dividend policy, Solucom has maintained a stable dividend payout ratio of 15% of the Group's share of net income over the years. Nevertheless, the Company reserves the right to adjust this ratio to meet its financing needs, and in accordance with its cash generation capacity, and the practices in its sector of activity.

The Group's profit reinvestment strategy and cash generation capacity have enabled Solucom to self-finance its working capital requirement for over 10 years, as well as its expansion.

In addition, Solucom endeavours to maintain sufficient financial leeway so as not to limit its ability to seize appropriate growth opportunities when they arise. As such, at 31/03/15, Solucom had an unused €9,600k credit line facility to be repaid in annual instalments of the amount drawn down and maturing in 2017, as well as an outstanding bond in the amount of €3,000k redeemable in full in 2018.

As required by law, the following table lists the dividends paid out in the previous three fiscal years:

Fiscal year	Number of shares receiving dividend <sup>(1)</sup>	Dividend paid per share <sup>(2)</sup>	Portion of dividend eligible for 40% deduction <sup>(3)</sup>
31/03/14	4,909,331	€0.33	100%
31/03/13	4,909,878	€0.32	100%
31/03/12	4,846,317	0,22 €	100%

(1) Solucom's treasury shares not eligible to receive dividends.

(2) Before tax and social security deductions.

(3) The Company has not distributed any income that is eligible for deduction.

## 3. Administrative, management and supervisory bodies

### 3.1. Management bodies

Solucom is a French public limited company (*Société Anonyme*) governed by a Management Board and a Supervisory Board.

The composition of the management bodies in the fiscal year ended 31/03/15 was as follows:

#### Management Board

- Mr Pascal Imbert: Chairman of the Management Board
- Mr Patrick Hirigoyen: Member of the Management Board

#### Supervisory board

##### Members of the Supervisory Board:

- Mr Michel Dancoisne: Chairman of the Supervisory Board:
- Mr Jean-François Perret : Vice-chairman of the Supervisory Board:
- Mrs Marie-Ange Verdickt : Member of the Supervisory Board
- Mrs Nathalie Wright : Member of the Supervisory Board

#### Censor

- Ms Sarah Lamigeon : Censor

### 3.2. Mandates and functions of Solucom's corporate officers in fiscal 2014/15 and during the last five years

Name	Dates of first appointment and mandate renewal	Mandate expiry	Main function in the Company	Main function outside the Company	Other mandates and functions exercised in other companies	Other mandates exercised in other companies during the past 5 years
<b>Pascal Imbert</b>	30/09/02 28/07/14 (taking effect as of 26/09/14)	26/09/20	Chairman of the Management Board		<b>Axway</b> Director	<b>Cosmosbay~Vectis</b> Director <b>MiddleNext</b> Chairman
<b>Patrick Hirigoyen</b>	30/09/02 28/07/14 (taking effect as of 26/09/14)	26/09/14	Member of the Management Board		<b>Solucom</b> Executive Vice-Chairman and COO	<b>Cosmosbay~Vectis</b> Director Executive Vice-President, Chairman and CEO as of 06/06/11
<b>Michel Dancoisne</b>	30/09/02 11/07/14 Member of the Supervisory Board 28/07/14 Chairman of the Supervisory Board	AGM called to approve the financial statements for the fiscal year ending 31/03/18	Chairman of the Supervisory Board:		<b>Solucom</b> Level III executive with expertise in financial, development and external growth policy	
<b>Jean-François Perret</b>	26/09/08 11/07/14 Member of the Supervisory Board 28/07/14 Vice-Chairman of the Supervisory Board	AGM called to approve the financial statements for the fiscal year ending 31/03/18	Vice-Chairman of the Supervisory Board:	<b>CXP Group</b> Vice-Chairman of the Supervisory Board::	<b>CVMP Conseil</b> Manager	<b>Pierre Audoin Consultants</b> Chairman of the Management Board, Vice-Chairman and member of the Supervisory Board
<b>Marie-Ange Verdickt</b>	26/09/12	AGM called to approve the financial statements for the fiscal year ending 31/03/16	Member of the Supervisory Board	Independent consultant	<b>ABC Arbitrage</b> Director <b>Caphorn Invest</b> Member of the Supervisory Board <b>Interparfums</b> Director	<b>Financière de l'Échiquier</b> Director of Research and <b>SRI</b>
<b>Nathalie Wright</b>	11/07/14	AGM called to approve the financial statements for the fiscal year ending 31/03/18	Member of the Supervisory Board	<b>Microsoft France</b> Member of the Executive Committee Director of the Public Sector Division (France) General manager of the Large Enterprises & Alliances Division		<b>Indexel</b> Member of the Board of Directors



All corporate officers confirmed that in the last five years they have not been:

- convicted of fraud;
- involved in bankruptcy, receivership or liquidation proceedings, for which, in their capacity as a member of a management, executive or supervisory body, they are personally liable;
- incriminated or subject to sanctions by an official public statutory or regulatory authority.

### 3.3. New members of the Supervisory Board

#### Sarah Lamigeon



French  
43 years  
**First appointed:** 22/07/15  
**Mandate renewal:** n/a  
**Mandate expiry:** 22/07/19 : AGM called to approve the financial statements for the fiscal year ending 31/03/19

#### Main function

Solucom - Communications Director

#### Other mandates and functions

Solucom Corporate Foundation. Treasurer and member of the Board of Directors

#### Other mandates exercised in other companies during the past five years

None

#### Professional experience

Born on 8/05/1972, Sarah Lamigeon holds a degree in Economic Sciences and a Masters in European Studies from the College of Europe in Belgium. Sarah began her professional career in 1997, working as a Project Manager for the Erasmus Technical Assistance Office at the European Commission in Brussels. In 2000, she moved to London to join the communications department of Future PLC, a media group listed on the London Stock Exchange. A year later, she joined Solucom to develop the Company's communications strategy and has been Director of Communications and a member of Solucom's Executive Committee since 2011. As Director of Communications, she is responsible for developing Solucom's image and reputation. In addition, Ms Lamigeon and her teams are in charge of Solucom's corporate image and reputation and are also involved in financial communication, recruitment communication and internal communication at Solucom.

#### Number of Solucom shares held

At 31/03/15, Sarah Lamigeon held 1,517 Solucom shares.

The corporate officers declared that, to the best of their knowledge, there are no:

- no potential conflicts of interest between the Board members' duties and their private interests and/or other obligations;
- no family ties between any of the Company's corporate officers.

#### Rafaël Vivier



French  
39 years  
**First appointed:** 22/07/15  
**Mandate renewal:** n/a  
**Mandate expiry:** 22/07/19 : AGM called to approve the financial statements for the fiscal year ending 31/03/19

#### Main functions outside the Company

Wit Associés – Founding partner  
Consultor.fr – CEO

#### Other mandates and functions

None

#### Other mandates exercised in other companies during the past five years

None

#### Professional experience

Born on 27/08/1975, Rafaël Vivier graduated from the EDHEC business school and is an HEC-certified coach. Mr Vivier began his career in 1999 working as a consulting partner for the consulting agency, Michael Page in Paris. In 2001, he moved to the strategic consulting firm, Achats Masaï, to take up the position of consultant and then Manager. In 2006, he joined the Roland Berger agency as a Manager specialised in management consulting. In 2008, after gaining experience on the Management Board of Adecco France, he founded and has since become partner in Wit Associés in 2008, a Human Resources consulting firm specialised in working environments for high-potential profiles, mainly in the professional services sector and for large listed groups. In addition, in 2011, he set up and became the CEO of consultor.fr, an on-line media network specialised in strategy consulting. This site offers visitors free access to prestigious counselling and is financed via communication partnerships.

#### Number of Solucom shares held

At 31/03/15, Rafaël Vivier had no Solucom shares.

The biographies of Solucom's other corporate officers are given in the Report of the Chairman of the Supervisory Board on page 141 of the present Reference Document.

In addition, at its meeting on 01/06/15, the Supervisory Board reviewed the independent status of each of the new

Supervisory-Board member candidates and verified that they had no financial, contractual or family relationships that could impair their independent judgement regarding Group interests. The Board's conclusions on this subject are given in the Supervisory Board Report presented to the Combined Ordinary and Extraordinary Shareholders on 22/07/15.

### 3.4. Executive and corporate-officer compensation

As required by law and the MiddleNext Corporate Governance Code to which Solucom adheres, the total amounts of compensation and benefits paid to the Company's corporate

officers during the fiscal year ended 2014/15 are detailed in the table below.

This table lists the compensation and benefits received by the corporate officers of the Solucom company across the Group and shows the amount of compensation due for, and the amount actually paid during the fiscal year. A portion of the compensation due for any given fiscal year is paid during the first months of the following year.

(en euros)	Gross annual compensation 2014/15				Gross annual compensation 2013/14			
	Fixed	Variable	Attendance fees	Total	Fixed	Variable	Attendance fees	Total
<b>Management Board</b>								
Pascal Imbert	Due	161,508	60,699	<b>222,207</b>	157,752	63,149		<b>220,901</b>
	<i>Paid</i>	<i>161,508</i>	<i>63,773</i>	<b>225,281</b>	<i>157,752</i>	<i>71,349</i>		<b>229,101</b>
Patrick Hirigoyen	Due	150,154	54,983	<b>205,137</b>	146,398	57,060		<b>203,458</b>
	<i>Paid</i>	<i>150,154</i>	<i>57,684</i>	<b>207,838</b>	<i>146,398</i>	<i>64,418</i>		<b>210,816</b>
<b>Supervisory board</b>								
Michel Dancoisne	Due	57,038		<b>57,038</b>	55,718			<b>55,718</b>
	<i>Paid</i>	<i>57,038</i>		<b>57,038</b>	<i>55,718</i>			<b>55,718</b>
Jean-Claude Malraison	Due		2,490	<b>2,490</b>			9,000	<b>9,000</b>
	<i>Paid</i>		<i>11,490</i>	<b>11,490</b>			<i>0</i>	<b>0</b>
Jacques Pansard	Due		2,490	<b>2,490</b>			9,000	<b>9,000</b>
	<i>Paid</i>		<i>11,490</i>	<b>11,490</b>			<i>0</i>	<b>0</b>
Jean-François Perret	Due		9,000	<b>9,000</b>			9,000	<b>9,000</b>
	<i>Paid</i>		<i>9,000</i>	<b>9,000</b>			<i>0</i>	<b>0</b>
Marie-Ange Verdickt	Due		9,000	<b>9,000</b>			9,000	<b>9,000</b>
	<i>Paid</i>		<i>9,000</i>	<b>9,000</b>			<i>0</i>	<b>0</b>
Nathalie Wright	Due		6,510	<b>6,510</b>			0	<b>0</b>
	<i>Paid</i>		<i>0</i>	<b>0</b>			<i>0</i>	<b>0</b>

- Compensation adjustments between 2013/14 and 2014/15.

Corporate-officer compensation was adjusted in 2014/15 to bring it in line with the wage policy applied to all the firm's employees.

- Fixed compensation

The fixed component is determined by taking into account the level and difficulty of the officers' respective responsibilities, their experience in the function performed and their length of service with the Company, as well as trends in compensation policies applied by groups and companies with similar business activities.

- Variable compensation

For Pascal Imbert, Chairman of the Management Board, the variable component is based on the differences between the targets budgeted at the beginning of the fiscal year and the corresponding results actually achieved over the period. This performance criterion applies to the following items: EBIT and Group share of net income measured on a like-for-like basis (i.e. excluding any scope of consolidation changes carried out during the period). The value of the performance-related variable component totalled €53,830 in 2014/15 (vs. €52,580 in 2013/14). The variable component can vary anywhere between 50% and 200% of this amount.

For Patrick Hirigoyen, member of the Management Board, the variable component is based on the differences between the targets budgeted at the beginning of the fiscal year and the corresponding results actually achieved over the period. This performance criterion applies to the following items: EBIT and the Group's share of net income measured on a like-for-like basis (i.e., excluding any scope of consolidation changes carried out during the period). The value of the performance-related variable component totalled €48,760 in 2014/15 (vs. €47,510 in 2013/14). The variable component can vary anywhere between 50% and 200% of this amount.

The following tables, prepared in accordance with AMF recommendations, give all the information required by regulations in force.

**Compensation, options and shares granted to executive corporate officers (table 1 of AMF recommendations)**

(en euros)	Gross annual compensation 2014/15 Amount due	Gross annual compensation 2013/14 Amount due
<b>Pascal Imbert, Chairman of the Board</b>		
Compensation due for the financial year	222,207	220,901
Value of multi-year variable compensation granted during the year	n/a	n/a
Value of options granted during the year	n/a	n/a
Value of free shares allotted during the year	n/a	n/a
<b>Total</b>	<b>222,207</b>	<b>220,901</b>
<b>Patrick Hirigoyen, member of the Management Board</b>		
Compensation due for the financial year	205,137	203,458
Value of options granted during the year	n/a	n/a
Value of free shares allotted during the year	n/a	n/a
<b>Total</b>	<b>205,137</b>	<b>203,458</b>

- Other disclosures

Note that, since Solucom is not controlled by any other company, its executives and corporate officers do not receive compensation from any such company.

None of Solucom's executive directors and corporate officers received any compensation other than that listed in the summary table above. This includes compensation benefits referred to in Article L.225-102-1, paragraph 1 of the French Commercial Code (relating to controlled companies).

The Company has no policy in place entitling its corporate officers to receive any arrival/departure bonuses, or deferred compensation in the event of termination of, or a change in their function, as specified in Article L.225-90-1 of the French Commercial Code.

In addition, corporate officers do not benefit from any form of supplementary retirement scheme as described in Article L.225-79-1 of the French Commercial Code.

None of Solucom's executives or corporate officers receive any benefits in kind.

During the fiscal year, none of the Company's corporate officers were granted any equity securities or stock options, etc. giving immediate or future access or rights to Company shares.

Compensation paid to each executive corporate officer (table 2 of AMF recommendations)

(€)	Gross annual compensation 2014/15		Gross annual compensation 2013/14	
	Amount paid	Amount due	Amount paid	Amount due
<b>Pascal Imbert, Chairman of the Board</b>				
Fixed compensation	161,508	161,508	157,752	157,752
Variable compensation	63,773	60,699	71,349	63,149
Multi-year variable remuneration	n/a	n/a	n/a	n/a
Exceptional compensation	n/a	n/a	n/a	n/a
Attendance fees	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a
<b>Total</b>	<b>225,281</b>	<b>222,207</b>	<b>229,101</b>	<b>220,901</b>
<b>Patrick Hirigoyen, member of the Management Board</b>				
Fixed compensation	150,154	150,154	146,398	146,398
Variable compensation	57,684	54,983	64,418	57,060
Exceptional compensation	n/a	n/a	n/a	n/a
Attendance fees	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a
<b>Total</b>	<b>207,838</b>	<b>205,137</b>	<b>210,816</b>	<b>203,458</b>

Attendance fees and other compensation received by non-executive corporate officers (table 3 of AMF recommendations)

	Amounts paid in fiscal year 2014/15	Amounts paid in fiscal year 2013/14
<b>Michel Dancoisne</b>		
Attendance fees	n/a	n/a
Other compensation	57,038	55,718
<b>Jean-Claude Malraison</b>		
Attendance fees	11,490	-
Other compensation	n/a	n/a
<b>Jacques Pansard</b>		
Attendance fees	11,490	-
Other compensation	n/a	n/a
<b>Jean-François Perret</b>		
Attendance fees	9,000	-
Other compensation	n/a	n/a
<b>Marie-Ange Verdickt</b>		
Attendance fees	9,000	-
Other compensation	n/a	n/a
<b>Total</b>	<b>98,018</b>	<b>55,718</b>

**Record of free share allocations (table 10 of the AMF recommendations)**

<b>Information concerning free shares allocated</b>	<b>15/09/06 plan</b>	<b>15/10/10 plan</b>
Date of General Meeting	30/09/05	25/09/09
Date of Management Board meeting	15/09/06	15/10/10
Total number of free shares granted	27,840	45,540
of which to:		
Patrick Hirigoyen	9,280	7,590
Vesting date of shares <sup>(1)</sup>	15/09/09	15/07/13
End of lock-in period	15/09/11	15/07/15
Number of shares vested at 31/03/15	27,840	37,950
Number of cancelled or forfeited	0	0
Number of shares available for subscription or allocation at 31/03/15	0	0

(1) The definitive granting of these free shares is subject to the beneficiary having a personal shareholding in the Company and fulfilling a performance criterion relative to the achievement of a consolidated EBIT target for each plan.

**Non-accumulation of mandates (table 11 of the AMF recommendations)**

<b>Executive directors</b>	<b>Employment contract</b>		<b>Supplementary pension scheme</b>		<b>Compensation or benefits due or liable to fall due owing to severance or change in function</b>		<b>Non-competition clause</b>	
	Yes	Non	Yes	Non	Yes	Non	Yes	Non
Pascal Imbert, Chairman of the Board		X		X		X		X

In accordance with AMF recommendations, the following information is not applicable to Solucom for the 2014/15 fiscal year:

- subscription or purchase options granted during the year to executive directors by the issuer and by any company in the group (AMF recommendations: table 4);
- subscription or purchase options exercised by executive directors (AMF recommendations: table 5);
- free shares attributed to directors during the financial year (AMF recommendations: table 6);
- free shares that have become available during the financial year for each executive director (AMF recommendations: table 7);
- record of past allocations of subscription or purchase options - information related to subscription and purchase options; (AMF recommendations: table 8 );
- subscription or purchase options granted to the ten highest-earning employees or executive beneficiaries and options exercised by them (AMF recommendations: table 9).

**3.5. Other information relative to executive directors and corporate officers**

**3.5.1. Restrictions on executives, directors and corporate officers**

Pursuant to Articles L.225-185 and L.225-97 II, paragraph 4 of the French Commercial Code, the Supervisory Board in its meeting on 18/06/07 decided to fix the proportion of registered shares that corporate officers of Solucom and the companies it controls are obliged to hold until termination of their functions at 25%, within the context of each plan implemented by Solucom in which these corporate officers would qualify as beneficiaries for exercising their mandates.

Note that this provision only applies to plans set up for the benefit of these corporate officers after the 30/12/06 Act went into effect.

### 3.5.2. Transactions on Company shares by executive directors and their relatives

In accordance with legal and regulatory provisions in force, the following table lists the transactions carried out on Company shares by executive directors, senior managers, and persons closely related to them, during the past fiscal year.

Executive director	Transaction date	Type of transaction	N° of shares	Transaction share price
Mr Michel Dancoisne	05/06/14	Sale	5,000 shares	€38.32
Mr Patrick Hirigoyen	01/10/14	Sale	1,500 shares	€38.12

## 4. Share capital and shareholders

### 4.1. Information concerning share capital

#### 4.1.1. Breakdown of share capital

##### Breakdown of share capital and voting rights

The list of Solucom shareholders at 31/03/15 is given in the table below:

Shareholders	Shares	% of capital	Theoretical voting rights	% of theoretical voting rights <sup>(1)</sup>	Exercisable voting rights	% of exercisable voting rights <sup>(2)</sup>
<b>Founder-shareholders and corporate officers</b>	<b>2,613,118</b>	<b>52.61%</b>	<b>5,216,347</b>	<b>67.03%</b>	<b>5,216,347</b>	<b>67.69%</b>
<i>Pascal Imbert</i>	<i>1,447,284</i>	<i>29.14%</i>	<i>2,894,568</i>	<i>37.20%</i>	<i>2,894,568</i>	<i>37.56%</i>
<i>Michel Dancoisne</i>	<i>1,135,272</i>	<i>22.86%</i>	<i>2,270,344</i>	<i>29.17%</i>	<i>2,270,344</i>	<i>29.46%</i>
<i>Patrick Hirigoyen</i>	<i>28,562</i>	<i>0.58%</i>	<i>49,435</i>	<i>0.64%</i>	<i>49,435</i>	<i>0.64%</i>
<i>Other</i>	<i>2,000</i>	<i>0.04%</i>	<i>2,000</i>	<i>0.03%</i>	<i>2,000</i>	<i>0.03%</i>
<b>Employees</b>	<b>243,910</b>	<b>4.91%</b>	<b>314,609</b>	<b>4.04%</b>	<b>314,609</b>	<b>4.08%</b>
<b>Treasury stock</b>	<b>75,336</b>	<b>1.52%</b>	<b>75,336</b>	<b>0.97%</b>	<b>0</b>	<b>0.00%</b>
<b>Free float</b>	<b>2,034,518</b>	<b>40.96%</b>	<b>2,175,595</b>	<b>27.96%</b>	<b>2,175,595</b>	<b>28.23%</b>
<b>Total</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>7,781,887</b>	<b>100.00%</b>	<b>7,706,551</b>	<b>100.00%</b>

(1) Pursuant to Article 11 of the Company's Articles of Association, double voting rights are granted to holders of fully paid-up shares registered for at least two years in the name of the same shareholder. Furthermore, pursuant to Article 223-11 of the general regulations of the AMF, the total number of theoretical voting rights is calculated on the basis of the total number of shares including those without voting rights.

(2) In accordance with AMF position-recommendation n° 2014-14, the total number of voting rights exercisable at General Meetings is calculated on the basis of the total number of shares with exercisable voting rights but does not include those without voting rights.

Total voting rights attached to registered shares: 5,698,960 (1) for 2,883,955 shares.

Total number of shares with voting rights: 4,966,882.

Total number of bearer shares with single voting rights: 4,966,882 - 2,883,955 = 2 082 927 (2).

Total voting rights (1) + (2) = 7,781,887.

Total treasury stock = 75,336 (3). (3)

Total number of exercisable voting rights (1) + (2) - (3) = 7,706,551.

According to a TPI analysis conducted on 31/03/15, approximately 50% of the shares making up the free float on that date were held by institutional funds and the remainder by private shareholders.

29% of Solucom's shares are held by Pascal Imbert, the Chairman of the Management Board, and 23% by Michel Dancoisne, the Chairman of the Supervisory Board. Acting in concert, these shareholders jointly own 52% of the Company's capital.

To the best of its knowledge, no other shareholder owns 5% or more of the Company's share capital and/or rights.

Patrick Hirigoyen, member of the Management Board, is deputy Managing Director in charge of operations for the company, Solucom.

Jean-François Perret is an executive director and corporate officer of Solucom and serves as Vice-Chairman of the Supervisory Board; Marie-Ange Verdickt and Nathalie Wright,



also appointed executives and corporate officers of the Company, are members of the Supervisory Board.

Solucom is controlled by its two founding shareholders. The Company endeavours to respect the strict principles of corporate governance. Within this context, it has notably adopted a two-tier corporate structure comprising a Management Board and a Supervisory Board. The presence of independent directors on the Supervisory Board ensures that it carries out its supervisory functions and represents

all of the Company's shareholders. As such, every year the Supervisory Board reviews subjects such as strategic issues, annual action plans and budget and internal-control procedures. The Supervisory Board also carries out a self-assessment survey to evaluate the functioning of the Board and reviews the independent-director status of its members. Changes in the Company's shareholding structure over the last three years are detailed in the table below:

	31/03/15 <sup>(3)</sup>				08/04/14 <sup>(3)</sup>			23/04/13 <sup>(3)</sup>		
	Number of shares	% of capital	Theoretical voting rights (%)	Exercisable voting rights (%)	Number of shares	% of capital	Theoretical voting rights (%)	Number of shares	% of capital	Theoretical voting rights (%)
<b>Founding directors and corporate officers <sup>(1) (2)</sup></b>	<b>2,613,118</b>	<b>52.61%</b>	<b>67.03%</b>	<b>67.69%</b>	<b>2 621 944</b>	<b>52.79%</b>	<b>67.06%</b>	<b>2,625,854</b>	<b>52.87%</b>	<b>66.64%</b>
<i>P. Imbert</i>	1,447,284	29.14%	37.20%	37.56%	1,447,284	29.14%	37.09%	1,447,284	29.14%	36.75%
<i>M. Dancoisne</i>	1,135,272	22.86%	29.17%	29.46%	1 140 072	22.95%	29.21%	1,150,072	23.15%	29.20%
<i>P. Hirigoyen</i>	28,562	0.58%	0.64%	0.64%	30,180	0.61%	0.68%	24,090	0.49%	0.61%
<i>Other</i>	2,000	0.04%	0.03%	0.03%	4,408	0.09%	0.09%	4,408	0.09%	0.09%
<b>Employees <sup>(4)</sup></b>	<b>243,910</b>	<b>4.91%</b>	<b>4.04%</b>	<b>4.08%</b>	<b>260,321</b>	<b>5.24%</b>	<b>4.36%</b>	-	-	-
<b>Treasury stock</b>	<b>75,336</b>	<b>1.52%</b>	<b>0.97%</b>	<b>0.00%</b>	<b>62,937</b>	<b>1.27%</b>	<b>0.81%</b>	<b>107,880</b>	<b>2.17%</b>	<b>1.37%</b>
<b>Free float</b>	<b>2,034,518</b>	<b>40.96%</b>	<b>27.96%</b>	<b>28.23%</b>	<b>2 021 680</b>	<b>40.70%</b>	<b>27.78%</b>	<b>2,233,148</b>	<b>44.96%</b>	<b>31.99%</b>
<b>Total</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>100.00%</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>100.00%</b>

(1) Solucom directors.

(2) Messrs Dancoisne and Imbert acting in concert

(3) Pursuant to Article 223-11 of the general regulations of the AMF, the total number of theoretical voting rights is calculated on the basis of the total number of shares including those without voting rights. In accordance with AMF position-recommendation n° 2014-14, the total number of voting rights exercisable at General Meetings is calculated on the basis of the total number of shares with exercisable voting rights but does not include those without voting rights.

(4) Pursuant to Article 2009-16 modified on 17/12/13 of the general regulations of the AMF, an employee subtotal was added as of 31/03/14. This employee subtotal was maintained during the fiscal year ended 31/03/15, in accordance with AMF position-recommendation n° 2014-14.

There was no material change in the Company's shareholder structure, or material disposal of Company shares by shareholding directors during the 2014/15 fiscal year.

#### Threshold crossings

None.

#### Changes in share capital

There has been no change in the Company's share capital over the past five years. The last operation carried out on the Company's share capital was the creation of 16,220 new shares on 26/05/09, subsequent to the exercise of stock options during fiscal year ended 31/03/09.

#### 4.1.2. Collective lock-up undertakings

During the past fiscal year, Solucom was not informed of any undertakings of this or any other type relating to Solucom securities.

For the record, three collective lock-up undertakings were concluded in December 2010 by some Solucom shareholders (pursuant to Articles 787 B and 885 I Bis of the French General Tax Code). Solucom was duly notified of these collective lock-up undertakings, and reported the details of the operations in paragraph 10.3 of the Company's Management Report presented to the Combined Ordinary and Extraordinary Shareholders Meeting on 28/09/11. The terms of these collective lock-up undertakings are listed below:

*« I – Within the context of a collective lock-up undertaking concluded on 16/12/10 in accordance with Article 787 B of the French General Tax Code, the shareholders concerned committed to conserving 1,192,000 Solucom shares, equivalent to 23.99% of the Company's capital and 29.13% of the voting rights attached to shares issued by the Company.*

*This collective undertaking was concluded by notarial deed for a period of two years from 16/12/10 until 16/12/12 and beyond if extended or renewed.*

*II – Within the context of a collective lock-up undertaking concluded on 18/12/10 in accordance with Article 787 B of the French General Tax Code, the shareholders concerned made a commitment to conserve 1,192,010 Solucom shares, equivalent to 23.99% of the Company's capital and 27.67% of the voting rights attached to shares issued by the Company.*

*This collective undertaking was concluded by notarial deed for a period of two years as of 20/12/10, the date of registration with the clearing house in the 16th district of Paris. Thereafter, it will be tacitly renewed for an undetermined period, unless notice of termination is given.*

*III – Within the context of a collective lock-up undertaking concluded on 18/12/10 in accordance with Article 885 I Bis of the French General Tax Code, the shareholders concerned made a commitment to conserve 1,312,010 Solucom shares, equivalent to 26.42% of the Company's capital and 29.13% of the voting rights attached to shares issued by the Company.*

*This collective undertaking was concluded by notarial deed for a period of two years as of 20/12/10, the date of registration with the clearing house in the 16th district of Paris. Thereafter, it will be tacitly renewed for an undetermined period, unless notice of termination is given.*

*Note that all of the three collective lock-up undertakings mentioned above were signed by the following members of the Supervisory and the Management Boards:*

- *Mr Michel Dancoisne; Chairman of the Supervisory Board*
- *Mr Pascal Imbert; Chairman of the Management Board.*

*All of the above-mentioned information was published by Solucom on the Group's website ([www.solucom.fr](http://www.solucom.fr)), on 22/12/11.*

Please note that all of these collective lock-up undertakings (pursuant to Articles 787 B and 885 I Bis of the French General Tax Code) are still valid.

#### 4.1.3. Trends in the Solucom share-price performance

Over the 2014/15 fiscal period, the Solucom share price rose 13% from €37.07 at 01/05/14 to €41.90 at 31/03/15.

All share prices mentioned in this document are the prices at closing on the trading days in question.

#### 4.1.4. Treasury stock – share buyback programme

In compliance with the authorisations mentioned in section 5.1.5 "Share buyback programme" of this report, the Solucom bought back its own shares on the open market under the conditions laid down by law and within the context of the share buyback programme implemented by the Company which is described in full in the Registration Document filed on 03/07/14 with the French Financial Markets Authority (AMF) under number D.14-0727 pursuant to article 241-2 of the AMF General Regulations.

As required under Article L.225-211 of the French Commercial, all related elements and information at 31/03/15 are disclosed in the appendix to the Company's financial statements and summarised in section 5.1.5 "Share buyback programme".

Solucom's treasury stock is limited to the shares bought back within the context of its buyback programme

More details are given in Chapter 5 of the Registration Document published every year by the Group.

## 4.2. Employee profit-sharing

### Employee shareholding

In accordance with Article L.225-102 of the French Commercial Code, we hereby inform you that, at 31/03/15 employees and former employees of the Solucom company and/or of the companies it owns as defined in the above-mentioned Article, owned 87,492 Solucom shares (equivalent to 1.76% of the share capital at that date) within the context of a Group Savings Plan (PEG) set up as by the Group in the form of an equity saving fund.

### Staff incentives

No staff incentive agreements have been set up within the Group.

### Free allocations of shares

At 31/03/15, the Solucom group had several free share plans in process.

During the past fiscal year, Solucom carried out the following free-share allotments:

#### Definitive granting of shares vested under the 2/07/12 plan: "Employee Plan No. 7"

For the record, on 2/07/12, the Management Board used the authorisation granted by the Combined Ordinary and Extraordinary Shareholders Meeting of 28/09/11 and implemented a plan to freely allocate existing or to be issued shares for the benefit of Solucom employees, in accordance with the option they had chosen within the context of the Group's employee savings scheme. Solucom's "Employee Plan No. 7" had a vesting period of twenty-four (24) months and expired on 02/07/14.

At its meeting convened on 01/07/14, the Management Board:

- decided to implement the definitive granting of freely allocated shares through the distribution of existing treasury stock held within the context of the Company's buyback programme;
- verified the vesting conditions and criteria of each beneficiary;
- granted a total of 3,849 shares to 140 employees;
- conferred executive powers on its Chairman (or substitute Chairman) to conduct a final verification on 02/07/14 to ensure that the vesting conditions of each beneficiary had been respected.

#### Definitive granting of shares vested under the 2/07/12 plan related to "Employee Plan n° 7" (in conjunction with "Employee Plan n° 5" dated 15/07/10)

For the record, on 02/07/12, your Management Board used the authorisation granted by the Combined General Meeting of 28/09/11 and implemented a plan to freely allocate existing or to be issued shares for the benefit of Solucom employees, in accordance with the option they had chosen within the context of the Group's employee savings scheme. The "Employee Plan n° 7", implemented in conjunction with "Employee Plan n° 5", dated 15/07/10, had a vesting period of twenty-four (24) months and expired on 02/07/14.

At its meeting convened on 1/07/14, the Management Board:

- decided to implement the definitive granting of freely allocated shares through the distribution of existing treasury stock held within the context of the Company's buyback programme;
- verified the vesting conditions and criteria of each beneficiary;
- granted a total of 670 shares to 18 employees;
- conferred executive powers on its Chairman (or substitute Chairman) to conduct a final verification on 02/07/14 to ensure that the vesting conditions of each beneficiary had been respected.

#### Definitive granting of shares vested under the 01/07/11 plan: "Executive Plan n° 6"

For the record, on 01/07/11, your Management Board used the authorisation granted by the Combined Ordinary and Extraordinary Shareholders Meeting of 25/09/09 and implemented a plan to freely allocate existing or to be issued shares within the context of its "Executive Plan n° 6".

This plan, with a vesting period of thirty-six (36) months, expired on 1/07/14.

At its meeting convened on 01/07/14, the Management Board:

- decided to implement the definitive granting of freely allocated shares through the distribution of existing treasury stock held within the context of the Company's buyback programme;
- verified that the sole beneficiary of this plan had fulfilled all performance criteria requirements;
- granted a total of 5,531 shares to the Company's senior executive beneficiary.

#### Initial attribution of shares vested under the 01/07/14 plan: "Employee Plan n° 9"

On 01/07/14, the Management Board partially used the authorisation granted to it by the Combined Ordinary and Extraordinary Shareholders Meeting of 25/09/09 under

Resolution 16 and implemented the free share allotment plan, “Employee Plan No. 9”, within the context of the Group’s employee savings scheme. This plan is reserved for Solucom employees in accordance with the option they had chosen within the context of the Group’s employee savings scheme.

Note that, at the initial allotment date, Solucom attributed 14,586 shares to 493 employee beneficiaries, subject to their definitive granting at the end of the vesting period which was set at 24 months as of 01/07/14 .

**Initial attribution of shares vested under the 01/07/14 plan:  
“Executive Plan n° 9”**

On 01/07/14, the Management Board partially used the authorisation granted to it by the Combined Ordinary and Extraordinary Shareholders Meeting of 25/09/13 under Resolution 16 and freely allocated three senior executive employees of the Company a maximum of 18,961 shares (2,987 shares each), in accordance with the allotment criteria defined in the plan, and subject to their definitive attribution at the end of the vesting period set at 36 months as of 01/07/14.

More details concerning the information contained in these two paragraphs are given in the special report prepared by the Management Board pursuant to Article L. 225-197-4 of the French Commercial Code.

**Principle of management non-interference in employee shareholder voting**

For the record, the Management Board upholds the principle of employee shareholding. Accordingly, several years ago it set up an employee savings scheme promoting employee access to Company share capital.

Solucom also strives to ensure that, within the context of the employee savings scheme, employee votes are truly independent of Management. As such, Solucom made the commitment that management representatives would not intervene in employee shareholder voting.

**4.3. Items likely to have an impact on the Company in the event of a public offering**

Pursuant to Article L.225-100-3 of the French Commercial Code, we draw your attention to the following points:

- the capital structure of Solucom, as well as the direct and indirect holdings of which the company is aware and all related information are described in this report and the Registration Document filed with the AMF on 3/07/14 under number D.14-0727;
- to the best of its knowledge, there are no shareholder pacts or other commitments between shareholders, other than the collective lock-up undertakings mentioned above in section 4.1, “Information concerning share capital”;

- there are no securities with special controlling rights, with the exception of the double voting rights under Article 11-4 of the Articles of Association and in accordance with regulations;
- there are no statutory restrictions regarding the exercise of the right to vote or the transfer of shares;
- the voting rights attached to Solucom shares, within the context of the Group’s employee savings scheme mentioned in section 4.2, are exercised by the Solucom mutual fund (Solucom Actions) ;
- the appointment and revoking of Management Board members are governed by applicable laws.
- current delegations related to the powers of the Management Board are described in section 5.1.5 - “Share buyback programme” - of this report and in the capital-increase delegation table attached to this report;
- amendments to Solucom’s Articles of Association are made in accordance with legal and regulatory provisions;
- there is no agreement which entitles Management Board members to receive severance compensation upon termination of their functions.

**5. Proposals submitted by the Management Board to the 22/07/15 Combined Ordinary and Extraordinary Shareholders Meeting**

**5.1. Ordinary Shareholders Meeting**

**5.1.1. Approval of Solucom’s annual and consolidated financial statements – Allocation of net income**

**Company Financial Statements**

You are asked to approve Solucom’s annual financial statements, comprising the statement of financial position, the income statement, and the notes to the financial statements for the fiscal year ended 31/03/15 as presented to you and which show a net profit of €12,069,253.

You are asked to approve a dividend payout in the amount of €0.39 per share.

Based on the shareholder register at 31/03/15, 4,891,546 shares are eligible to receive this dividend putting the total proposed dividend payment at €1,907,703 which represents a payout ratio of 15% of the Group’s share of net profit.

The net profit for the fiscal year ended 31/03/15 would therefore be affected as follows:

Full-year earnings	€12,069,253
Retained earnings	€10,161,550

<b>Total distributable and to be distributed earnings</b>	<b>€1,907,703</b>
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The dividend will be payable in cash as of 31/07/15.

The dividend payout is eligible for tax relief of 40%, as provided for in Article 158.3 2° of the French General Tax Code, for those shareholders who can benefit from it.

Note that dividends eligible for 40% tax relief are subject to social security and additional social contributions in the amount of 15.5% of the dividends due, which the Company will withhold at the source for payment to the French tax authorities.

If at the time of payout, the number of Company treasury shares ineligible for dividend has changed, the subsequent difference corresponding to the dividends not paid or to be paid by reason of this difference shall, depending on the case, be credited or charged to the "Retained Earnings" account.

Details of dividends distributed by the Company in the past three fiscal years are given in paragraph 2.8 above.

In addition, pursuant to Article 223.4 of the French General Tax Code, non-deductible expenses as defined in Article 39-4 of this Code amounted to €22,182 giving rise to a tax charge of €7,638.

Furthermore, a statement of the Company's financial income for the last five fiscal years is attached to this report.

#### Consolidated financial statements

You are asked to approve the financial statements for the fiscal year ended 31/03/15 as presented to you, which show a consolidated net profit of €12,592,140.

#### 5.1.2. Regulated agreements and commitments

Pursuant to Articles L.225.86, L.225-79-1 and L.225-90-1 of the French Commercial Code, the following points are worthy of note:

- No new agreements or commitments were authorised, agreed or signed during the fiscal year ended 31/03/15;
- The information relating to the previously approved agreement still in effect during the fiscal year ended 31/03/15;
- The absence of previously signed agreements by the Company.

Pursuant to the new Article L.225-88-1 of the French Commercial Code, on 09/03/15 the Supervisory Board examined the agreement cited in paragraph 2 above and declared that it would i) maintain its authorisation previously granted concerning said agreement, and that ii) it would carry out an annual review of this agreement and communicate its findings to the Statutory Auditors, in accordance with the terms of article L.225-88-1 of the Commercial Code.

Pursuant to Article R.225-57 of the French Commercial Code, your Statutory Auditors were advised of the agreement cited in paragraph 2 above and which they describe in their Special Report.

#### 5.1.3. Attendance fees

We propose that you fix the global annual amount of attendance fees to be awarded to members of the Supervisory Board at €50,000 for the 2015/16 fiscal year and beyond until a new decision is taken at the General Meeting.

Note that, in accordance with market recommendations, the Supervisory Board distributes attendance fees to its members on the basis of their level of assiduity at Board meetings. The Chairman of the Supervisory Board does not receive any attendance fees.

#### 5.1.4. Update on Management Board and Supervisory Board mandates

##### Management Board

##### Mr Pascal Imbert :

Pascal Imbert's mandate as Chairman of the Management Board was renewed by the Supervisory Board on 28/07/14 for a period of six years taking effect as of 26/09/14. His mandate will expire on 26/09/14

##### Mr Patrick Hirigoyen:

Patrick Hirigoyen's mandate as member of the Management Board was renewed by the Supervisory Board on 28/07/14 for a period of six years taking effect as of 26/09/14. His mandate will expire on 26/09/14.

##### Supervisory board

##### Mr Michel Dancoisne :

Michel Dancoisne's mandate as member of the Supervisory Board was renewed by the Shareholders' General Meeting on 10/07/14, and his term of office as Chairman of the Supervisory Board was renewed by the Supervisory Board on 28/07/14 for a period of four years. His mandate will expire at the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/03/18.

**Mr Jean-François Perret :**

Jean-François Perret's mandate as member of the Supervisory Board was renewed by the Shareholders' General Meeting on 11/07/14 for a period of four years: appointed Vice-Chairman of the Supervisory Board by the Board on 28/07/14. His mandate will expire at the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/03/18.

**Mrs Marie-Ange Verdickt :**

Marie-Ange Verdickt was appointed a member of the Supervisory Board by the Shareholders' General Meeting on 26/09/12, for a period of four years. Her mandate will expire at the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ending 31/03/16.

**Mrs Nathalie Wright :**

Nathalie Wright was appointed a member of the Supervisory Board by the Shareholders' General Meeting on 10/07/14 , for a period of four years. Her mandate will expire at the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ending 31/03/18.

**Censors****Ms Sarah Lamigeon:**

Sarah Lamigeon was appointed censor of the Supervisory Board by the Shareholders' General Meeting on 11/07/14 , for a period of two years. Her mandate will expire at the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ending 31/03/16.

The Management Board submits for your approval the proposal to appoint two new members of the Supervisory Board for a period of four years; i.e. until the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ending 31/03/19.

- Ms Sarah Lamigeon;
- Mr Rafaël Vivier.

The information relative to Ms Sarah Lamigeon and Mr Rafaël Vivier is presented below, in accordance with Articles L. 225-115-3 and R. 225-83-5 of the French Commercial Code, together with the reasons for proposing their respective appointments.

In addition, details concerning the mandates and functions exercised by Ms. Sarah Lamigeon and Mr Rafaël Vivier during the current fiscal period and in the past five years together with their respective biographies and the number of Solucom they hold is also given in paragraph 3.3. above.

**Ms Sarah Lamigeon:**

For the record, in order to maintain the team spirit and lively debate within the Supervisory Board, the Management Board submitted for shareholder vote at the 11/07/14 Annual General Meeting the following proposals to:

- establish a new Article (n° 23) into the Company's Articles of Association which would allow the General Meeting to appoint one or more non-voting Censors to participate in Supervisory Board meetings.
- carry out the immediate appointment of a Censor if the proposed amendment to the Articles of Association is adopted.

Within this context, the Annual General Meeting on 11/07/14 adopted the motion to establish the function of Censor in the Company's Articles of Association, and appointed Ms Sarah Lamigeon to carry out the functions of Solucom's first Censor for a period of two years.

In its report, the Management Board specified that in the event that Ms Sarah Lamigeon's appointment as Censor to the Supervisory Board was accepted, it would propose her appointment as member of the Supervisory Board the following year, which would automatically terminate her function as Censor.

In view of the above, the Management Board wishes to submit for your approval the appointment of Ms Sarah Lamigeon as a member of the Supervisory Board for the following reasons:

- Her intimate knowledge of the Company, its corporate culture and values
- Her understanding of the challenges related to corporate image and reputation on the consulting market
- Her experience in financial communication and the stock-market environment for mid-cap companies

If you vote to appoint Ms Sarah Lamigeon as a member of the Supervisory Board, her appointment as such will automatically entail her resignation as Company Censor.

**Mr Rafaël Vivier:**

The Management Board wishes to submit for your approval the appointment of Mr Rafaël Vivier as a member of the Supervisory Board for the following reasons:

- His in-depth knowledge of the consulting-firm market;
- His expertise in the field of human resources within consulting firms;
- His pertinent approach with regards strategic analysis consulting

Ms Sarah Lamigeon and Mr Rafaël Vivier have already indicated that they would accept to take up these functions if appointed and that nothing prevented them from exercising their duties.



### 5.1.5. Share buy-back programme

The Combined Ordinary and Extraordinary Shareholders Meeting of 11/07/14 authorised your Management Board under the 10th Resolution to implement a new share buyback programme in accordance with the legal and regulatory provisions in force.

This programme succeeded that which had been authorised by your Combined Ordinary and Extraordinary Shareholders Meeting of 25/09/13.

This buyback programme, the 16th of its kind, was implemented immediately by the Management Board on 11/07/14 and is described in the Registration Document filed with the AMF on 31/03/15 under number D.14-0727. It was also the subject of a press release published on the Solucom website on 10/07/14.

In accordance with statutory requirements, we inform you that at 31/03/15 the key features pertaining to the two previous programmes launched successively in 2014/15 were as follows:

The objectives related to this buyback programme are summarised in the table below:

	Total (market)	External growth	Granted to employees	Exercise of rights attached to securities
<b>Situation at 31/03/14</b>	<b>17,494</b>	<b>44,294</b>	<b>0</b>	<b>-</b>
Purchases	46,647	23,070	-	-
Sales	(46 119)	-	-	-
Reallocations	-	(10 050)	10,050	-
Redemptions	-	-	(10 050)	-
<b>Situation at 31/03/15</b>	<b>18,022</b>	<b>57,314</b>		
Gross carrying value <sup>(1)</sup> (€)	739,329	1,640,700	-	-
% of share capital at 31/03/15	0.36%	1.15%	0.00%	0.00%

(1) The gross carrying value ("book value") of shares is calculated on the basis of purchase cost

Your Management Board requests you grant a new authorisation in principle, based on the main conditions described below. The key features of the proposed new programme are as follows:

#### Objectives

- To stimulate trading on the secondary market for, and ensure the liquidity of Solucom shares by concluding a liquidity contract with an independent investment services provider in accordance with the Ethics Charter recognised by the AMF;
- To retain the purchased shares for use, at a later date, as payment or exchange in external growth operations;

- 69,717 treasury shares were purchased in fiscal 2014/15 at a total acquisition cost of €2,765,093, implying an average purchase price of €39.66 per share;
- 46,119 treasury shares were sold in fiscal 2014/15 for a total disposal price of €1,784, 662, implying an average selling price of €38.70 per share
- Trading charges amounted to €2,863;
- 10,050 free shares were granted to employees over the period with a total value of €166,454 measured at acquisition price, implying an average selling price of €16,56 per share.
- 75,336 shares were written to the balance sheet at 31/03/15 for a total market value of € 3,156,578 calculated on the basis of the 31/03/15 closing price of €36.50; their nominal value is €0.10 per share;
- Treasury shares represented 1.52% of the Company's total share capital.

- To grant or, as the case may be, sell shares to employees and/or corporate officers of the Company or companies within the Group, in accordance with the conditions and formalities provided by law, notably in the case of profit-sharing and share-ownership plans, as well as the setting up of company and inter-company savings plans, and the implementation and coverage of all stock-option and free-share plans.
- to retain shares for exchange purposes in the event rights attached to securities giving access in any way to Company capital are exercised.



**Limit**

10% of share capital, minus the amount of treasury shares already held, and reduced to 5% for shares acquired to be held for use at a later date as payment in exchange, merger, contributions and external-growth operations.

**Financial terms of purchase**

Minimum purchase price per share: €100.

**Cancellation of shares**

No, unless authorised by a future Extraordinary General Meeting.

**Period of validity**

Valid as of the Combined Ordinary and Extraordinary Shareholders of 22/06/15 until the next Annual General Meeting called to approve the financial statements for fiscal year ending 31/03/16 and for up to a maximum of 18 months, it being understood that the Combined Ordinary and Extraordinary Shareholders of 22/06/15 will cancel and replace the previous authorisation and programme without interruption by the new authorisation.

**Public offering**

For the record, since the adoption of the Florange Law on 29/03/14 suppressing the neutrality duty of the Board during periods of public offers, Management may now make use of authorisations (notably of a financial nature) granted by General Meetings during periods of public offers.

Solucom has nonetheless confirmed its commitment to adhere to the principal of Management Board neutrality during such periods.

Accordingly, the proposed authorisation concerning the share buyback programme to be granted by the Combined Ordinary and Extraordinary Shareholders to the Management Board on 22/07/15, will be suspended during periods of public offers. This new share buyback programme could not therefore be used by the Management Board during such periods.

Details of this share buyback programme are given in the 2014/15 Registration Document.

**5.2. Extraordinary shareholders meeting**

The following points are submitted for your approval within the context of the Extraordinary Shareholders Meeting.

Under the terms of the Management Board report, you are asked to:

**a)** renew a certain number of authorisations concerning capital increases and, more generally, immediate or future financial operations on the Company's share capital granted to the

Management Board by previous Extraordinary Shareholders Meetings. You are also asked to renew, for the last time, similar authorisations granted by the 22/07/15 Combined Ordinary and Extraordinary Shareholders, listed in a summary table in the appendix to the present report, in accordance with the law.

**b)** amend the Articles of Association of the Company by i) modifying Article n° 4 concerning the Company's headquarters and address and ii) adapting the Articles of Association to bring them into line with new legal provisions governing regulated agreements (Article 22), as well as new legislation concerning the conditions governing shareholder registration to vote at General Meetings (Article 28).

**5.2.1. Financial authorisations concerning Solucom's capital in general and those reserved for employees and corporate officers****General presentation**

The 25/09/13 General Shareholders Meeting granted several financial authorisations enabling the Management Board to increase the share capital and issue securities reserved for, and designed to retain its employees and corporate officers.

Of these delegations, only the 15th resolution concerning the free allocation of shares, and the 17th resolution, were used. The other delegations were not taken up and are due to expire shortly.

Management requests that you delegate its powers related to the financial management of the Company and renew the previous authorisations.

For the record, the Management Board is committed to the principle that management representatives do not intervene in employee shareholder voting (see paragraph 4.2 of the Ordinary Shareholder Meeting section of the present report).

All of the authorisations and financial delegations described in this report are designed to:

- render the Company more flexible and accelerate procedures so that, if needs be, it can make a call on the market to finance its expansion.
- enable the Company to implement measures to retain its employees and corporate officers.

Resolutions relative to capital increases fall into two main categories, namely:

- Non-dilutive share issues: with pre-emptive subscription rights maintained.
- Dilutive share issues: without pre-emptive subscription rights maintained.

All securities issues with pre-emptive subscription rights (PSR) which are detachable and exchangeable throughout the subscription period, give shareholders the right to subscribe to

a number of new shares proportionate to their existing interest in the share capital for a minimum period of five (5) trading days from the opening of the subscription period.

Your Management Board requests that you grant it the power to cancel the pre-emptive subscription rights for some of these resolutions. Existing shareholders would however benefit, under the 10th resolution, from a priority period of at least five (5) trading days.

Note that, the delegation of authority granting your Management Board the power to issue shares and marketable securities reserved for members of employee savings plans would, in accordance with legal provisions, entail an obligation on the part of the shareholders concerned to waive their pre-emptive subscription right to buy those shares.

All of these authorisations would be granted for a limited period only. In addition, the Management Board would only be able to increase the share capital up to i) the ceilings specific to each resolution, and ii) the overall ceiling set in resolutions 13 and 18. This also applies to issues of marketable securities which would be capped at i) the ceilings specific to each resolution, and ii) the overall ceiling set in resolution 13.

As such, these resolutions comply with proxy advisor voting recommendations and are therefore in line with the best practices recommended by these organisations and the AMF.

Note that, as in the past:

- these authorisations do not cover preference shares and marketable securities giving access to preference shares;
- cash issues are strictly limited to the Company and are not granted to subsidiaries;
- issues without pre-emptive subscription rights maintained are limited to immediate or future issues within the context of a public offering (no proposition made concerning recourse to a private placement) ;
- the Management Board and the management of the Company are committed to the principle of non-intervention with regard to employee shareholder voting ;

- the financial authorisations granted by the Combined Ordinary and Extraordinary Shareholders on 25/09/13 will be discontinued.

In addition, Management specifies that the texts of the resolutions submitted for your approval take into account:

- the entry into force of the ordinance on 30/07/14 and the modifications made to the Articles of the French Commercial Code relative to complex marketable securities issues <sup>(1)</sup> (New Article L.228-91 of the French Commercial Code ) :
  - before this ordinance came into force, operations involving the issue of marketable securities giving access to existing or to be created capital or entitling shareholders to the allotment of debt securities fell within the competence of the Extraordinary Shareholders Meeting, even when such operations did not imply a potential capital increase.
  - Henceforth, issues of marketable securities which do not entail the immediate or future issue of equity instruments, but only a right to receive debt securities and/or give access to existing company shares, and, as such, not leading to any potential capital increase, fall within the competence of the Management Board.
- Entry into force of the Florange Law on 29/03/14:

This law overturns the principles that used to apply by ensuring that, unless otherwise stipulated in the Articles of Association, the Management Board of a company whose shares are admitted for trading on a regulated market could, during periods of public offers, make all decisions necessary to prevent an IPO on said company. Accordingly, delegations granted relating to capital increases are not automatically suspended during periods of public offers targeting the shares of the company.

Nonetheless, the Solucom Management Board proposes that the following delegations submitted for approval by the General Shareholders Meetings be suspended during periods of public offer initiated by another company on Solucom shares.

(1) complex marketable securities are those giving immediate or future access to the issuer's capital.

## Summary of resolutions n° nine to eighteen

### I. General financial authorisations (Resolutions n° 9 to 13)

Global ceiling applied to all dilutive and non-dilutive issues : 50% of capital (13th resolution)	Ceiling applied to non-dilutive stock issues: 50% of capital	Capital increase with shareholder pre-emptive subscription rights (PSR) (9th resolution)	50%	26 months
		Over allotment as % of initial number of shares issued (11th resolution)	15%	26 months
	Ceiling applied to dilutive stock issues: 20% of capital	Capital increase without PSR but with priority rights including share swaps initiated by Solucom (10th resolution)	20%	26 months
		Over allotment as % of initial number of shares issued (11th resolution)	15%	26 months
		Contributions in kind (12th resolution)	10%	26 months
		Incorporation of reserves, profits, premiums and other amounts (1 <sup>4th</sup> resolution)	€400k	26 months

### II. Financial authorisations reserved for company employees (resolutions 14 to 18)

Global ceiling for all dilutive issues: 8% of capital (18th resolution)	Capital issue reserved for employees / corporate officers ( employee savings scheme) (15th resolution)	5%	26 months
	Free allocation of shares reserved for employees/ corporate officers (16th resolution)	6%	38 months
	Capital increase reserved for employees / corporate officers (17th resolution)	6%	18 months

#### Issue of shares and marketable securities with pre-emptive subscription rights maintained (Resolution n° 9)

In the ninth resolution, we propose that you delegate the Management Board the power to issue, within the period of twenty-six months, ordinary shares and/or complex marketable securities giving access to Company capital with pre-emptive subscription rights maintained to beneficiaries in France and abroad.

The ceilings applying to this new authorisation are as follows:

- for ordinary shares issued by the Company: a nominal amount of €248,344.10, equivalent to 50% of the Company's share capital (identical to the authorisation granted by the Combined Ordinary and Extraordinary Shareholders on 25/09/13;
- for debt securities: a principle amount of €40,000,000 (compared with €30,000,000 authorised by the Combined Ordinary and Extraordinary Shareholders on 25/09/13;

The renewal of this general authorisation will enable the Company to finance itself, at any time, by issuing shares and complex marketable securities giving access to Solucom's share capital to Company shareholders while granting them detachable and exchangeable pre-emptive subscription rights.

#### Issue of shares and marketable securities without pre-emptive subscription rights maintained but with a priority subscription right (Resolution n° 10)

In the tenth resolution, we propose that you delegate the Management Board the power to issue, within a period of twenty-six months, i) ordinary shares and/or ii) complex marketable securities giving access to company share capital without pre-emptive subscription rights maintained by way of a public issue both in France and abroad.

In the event this delegation is used, existing shareholders will automatically benefit from a priority period of five (5) trading days.

The ceilings applying to this new authorisation are as follows:

- for ordinary shares issued by the company: a nominal amount of €99,337.64, equivalent to 20% of the Company's share capital (identical to the authorisation granted by the Combined Ordinary and Extraordinary Shareholders on 25/09/13);

As in the previous authorisation:

- the ceiling is the same as that applying to the following dilutive-share issues: capital increases carried out under the eleventh resolution (authorisation to increase the number of shares to be issued) and the twelfth resolution (issue of shares and marketable securities in remuneration of contributions in kind).
  - this ceiling will be deducted from the global ceiling of 50% of the share capital specified in the 13th resolution
- for debt securities: a principle amount of €15,000,000 (compared with €12,000,000 authorised by the Combined Ordinary and Extraordinary Shareholders on 25/09/13).

These marketable securities could notably be issued for the purposes of remunerating shares tendered to the Company within the framework of a public offer, in accordance with the provisions of Article L.225-148 of the French Commercial Code: in this case, priority rights are not legally applicable.

By virtue of the applicable legal and regulatory dispositions, the issue price of ordinary shares and complex marketable securities would be at least equal to the average weighted market price for Solucom shares for the last three trading sessions prior to pricing the issuance, minus a discount of up to 5%.

The power to make issues without preferential subscription rights enables the Management Board to carry out transactions where rapidity is an essential condition of success, and which present the added advantage of initiating a new public offering by issuing shares on the international financial markets.

Nevertheless, in this type of operation shareholders' rights are preserved:

- The obligation of the Management Board to grant shareholders a five-day priority subscription right (irreducible and reducible) which is more than the three-day average priority period specified in Article R.225-131 of the French Commercial Code and compliant with proxy-firm recommendations.
- The fact that, in accordance with the dispositions of the French Commercial Code, the share issue price must be at least equal to the average weighted market price for Solucom shares for the last three trading sessions prior to pricing the issuance, minus a discount of up to 5%.

With this delegation, the Company respects proxy advisor recommendations.

**Authorisation to increase the number of shares to be issued within the context of a capital increase with or with shareholder pre-emptive subscription rights maintained (11<sup>th</sup> resolution)**

In the eleventh resolution, we propose that you delegate the Management Board the power to increase, within the period of twenty-six months, the amounts of shares/marketable securities issued under the 9th and 10th resolutions (concerning non-dilutive and dilutive share issues) , in accordance with the ceiling fixed under Article L.225-135-1 of the French Commercial Code; that is to say 15% of the initial amount of shares issued at the same price (over-allotment).

This authorisation will not increase the ceilings set for the 9th and 10th resolutions described above.

Given the potential volatility in the Solucom share price, management deems it necessary to renew this authorisation to secure, among other things, the financing of the Group's expansion.

**Issue of shares and marketable securities without shareholder pre-emptive subscription rights maintained for the purposes of remunerating contributions-in-kind granted to the Company (12<sup>th</sup> resolution)**

In the twelfth resolution, we propose that you delegate the Management Board the power to issue, within the period of twenty-six months, i) ordinary shares and/or ii) complex marketable securities giving access to other Solucom share capital for the purposes of remunerating contributions-in-kind granted to the Company and comprising shares and/or marketable securities giving access to third-party share capital.

Ordinary shares and complex marketable securities will be granted without shareholder pre-emptive subscription rights to securities issued by virtue of the present delegation.

In addition, this delegation shall act automatically as a waiver by shareholders of their preferential subscription right to shares in the Company's capital.

This delegation should respect:

- the statutory 10% share-capital ceiling. Moreover, and issues carried out under the present delegation will be deducted from the ceiling fixed in the 10th resolution (dilutive share issues) and within the limit of the global ceiling set in the 13th resolution ;
- for issues of debt securities, the principal amount is equal to the maximum ceiling fixed in the 10th resolution (dilutive share issues) of €15,000,000 and within the global ceiling fixed in the 13th resolution.

Management deemed it necessary to renew this authorisation to enable the Company to continue financing the acquisition of stakes in medium-sized non-listed companies. These acquisitions could therefore be financed, either in full or partially, by shares or marketable securities, rather than by debt or other means.

**Global limitation of resolutions n° nine to twelve (13th resolution)**

In the 13th resolution, we propose that you set:

the maximum nominal amount of capital increases that could be carried out either immediately or in the future under resolutions 9 to 12 at €248 344,10, equivalent to 50% of the share capital; the individual ceilings of each of these resolutions is included in the global ceiling. To this ceiling may be added the nominal value of shares to be issued so that holders of marketable securities can preserve their rights giving access to share capital, in accordance with legal rules.

the maximum nominal amount of marketable securities likely to be issued under resolutions 9 to 12 at €40,000,000; the individual ceilings of each of these resolutions are included in the global ceiling.

**Capital increase by incorporation of reserves, profits, premiums and other amounts (14th resolution)**

In the fourteenth resolution, we propose that you delegate the Management Board the power to increase, within the period of twenty-six months, the capital share capital by incorporation of reserves, profits, premiums and other amounts that may be capitalised, followed by the issue and distribution of free shares and/or through the evaluation of the nominal value of outstanding ordinary shares .

As in the preceding delegation, the nominal amount of ordinary shares issued under the present authorisation is capped at €400,000.

This ceiling will be independent of those relative to resolutions 9 to 13 and the 18th resolution.

The application of a separate and independent ceiling of €400,000 is justified by the different nature of the incorporation of reserves, and other amounts since they result either in the creation and allocation of free shares to shareholders or an increase in the nominal value of existing shares, which entails no dilution for Company shareholders or any modification in the volume of Solucom's share capital.

**Issue of shares and marketable securities without PSR reserved for employees and eligible corporate officers who are subscribers to the Company's employee savings scheme(15th resolution)**

In the fifteenth resolution, we propose that you delegate the Management Board the power, for a period of twenty-six months, to increase the share capital by issuing ordinary Solucom shares without pre-emptive subscription rights maintained and reserved for employees and eligible corporate officers who are subscribers to the employee savings scheme (PEG) of the Company and the French and foreign subsidiaries under its control (in accordance with Articles L.225-180 of the French Commercial Code and L.3344-1 of the French Labour Code within the framework of Articles L.225-129 to L.225-129-6 and L.225-138-1 of the French Commercial Code and L.3332-18 and seq. of the French Labour Code).

The nominal ceiling of ordinary shares issued under the present authorisation is capped at 5%, the same level applied to the previous authorisation of this kind.

The ceiling for the present authorisation is in line with market practices and proxy-firm recommendations, it being specified that this ceiling is independent and autonomous of that fixed under resolutions 9 to 13 concerning limits on the delegation of powers to increase the share capital, but is the same as those fixed for those fixed under in resolutions sixteen and seventeen relative to: i) the free allocation of shares and ii) the issue of marketable securities reserved for employees and corporate officers of the Company and the companies under its control, and, is included in the common ceiling applying to these three instruments which serve as an incentive for staff members and promote employee loyalty to the firm, as determined in the 18th resolution.

The issue of ordinary shares will be carried out without any shareholder pre-emptive subscription rights. The Company could offer its employees a preferential share price with a discount of up to 20%, calculated on the basis of the average opening prices of Solucom shares over the last twenty trading days on Euronext Paris preceding the date of the decision setting the subscription period opening date.

The Management Board could also decide, in accordance with Article L.3332-21 of the French Labour Code, to freely allocate shares to subscribers of new shares in lieu of the discount, or to subscribers to the Group's savings scheme.

In accordance with the applicable legal dispositions, the operations envisaged could also take the form of share disposals to subscribers of the Group's savings scheme.

For several years, the Management Board has benefited from the authorisation to carry out capital increases reserved for

subscribers to the Group's savings scheme and employee bodies, in application of applicable regulations.

**Authorisation granting the Management Board the power to freely allocate existing and to-be-issued shares without pre-emptive subscription rights maintained, reserved for corporate officers and/or employees of the Company and some or all of the Group's companies (16th resolution)**

In the sixteenth resolution, we propose that you delegate the Management Board the power to freely allocate, on one or more occasions and at such times it deems appropriate within the period of thirty eight months, existing or to-be-issued shares reserved for employees or certain categories of employees of the Company and corporate officers, as defined in Article L.225-197-1 II of the Commercial Code, as well as employees and corporate officers of subsidiaries of the Company, pursuant to Article L.225-197-2 of the Commercial Code.

The global and individual ceilings are the same as those applying to the preceding authorisation:

- a) 1% of the share capital on the date the Management Board makes the decision for the Company's corporate officers.
- b) 6% of the share capital on the date the Management Board makes the decision for the employees and the corporate officers of the Company and some or all of the Group's subsidiaries, other than those cited in paragraph a) above.

Note that the amounts referred to in paragraphs a) and b) above, are independent of those set in resolutions 9 to 13, but are the same as those set in the 15th and 17th resolutions, within the limit of the global ceiling of 8% of the Company's share capital for these three resolutions as determined in the 18th resolution, which is in line with the proxy advisor recommendations and market best practices.

At Solucom the free allocation of shares is carried out within the context of two types of free share plans :

- The Company's Employee Savings Plan, "Tous" which is open to all employees and carries a two-year minimum vesting period, at the end of which rights to free shares are definitely granted to beneficiaries subject to their presence in the Company.
- The Executive Plan attributed to key persons in the Company carries a three-year minimum vesting period, at the end of which rights to free shares are definitely granted to beneficiaries subject to their presence in the Company.

Note that, the Management Board partially used the previous delegation approved by the Combined Ordinary and Extraordinary Shareholders on 25/09/13, for up to 0.47% of the share capital social as described in paragraph 4.2 of the present report and within the context of the special report of the Management Board drawn up in accordance with L.225-197-4 of the Commercial Code.

Previous Annual General Meetings already granted five such authorisations to the Management Board.

Solucom will pursue its strategy to involve its employees in the development of the Company.

The employee shareholding operations authorised in the present resolution are designed to bolster the motivation and commitment of the Group's workforce, and reinforce their sense of belonging to the Company.

Approval of this resolution would enable the Management Board to continue implementing its strategy to integrate its employees, executives and corporate officers in the development of the Company.

**Delegation of powers granted to the Management Board to issue marketable securities without pre-emptive subscription rights maintained and giving access to the Company's share capital reserved for employees and corporate officers of the Company and the companies it controls with at least one Director (Resolution n°17)**

In the seventeenth resolution, we propose that you delegate the Management Board the power to increase the share capital within the period of eighteen months and on one or more occasions by issuing ordinary shares and marketable securities giving immediate or future access to the Company's share capital and without pre-emptive subscription rights to employees and corporate officers of the Company and companies it controls with at least one Director.

The Company could propose the beneficiaries mentioned above the following the following issue prices:

- a) an issue price based on the average of the opening share prices quoted in the twenty trading sessions of the Euronext Paris proceeding the day when the decision is made to fix the opening subscription date of the capital increase relative to the present resolution, with the possibility of reducing this average by a maximum discount of 20%. This discount could be reduced or cancelled by the Management Board if deemed convenient depending on certain parameters that



could influence the price. According to the type of financial instrument, these parameters include strike price, lock-in period, exercise period, triggering threshold, repayment period, interest rate, dividend payout policy, company-share price and volatility;

- b) an issue price for marketable securities giving access to Company share capital which, if applicable, would be equal to the amount immediately received by the Company, plus the sum it would be likely to receive in the future, that is to say, for each share issued as a result of a marketable securities issue, at least the amount defined in paragraph a) above.

The methods used to determine the issue prices defined above are consistent and in line with the issue prices set in the 15th resolution above corresponding to the Company's staff and corporate officer retention strategy.

With respect to the previous authorisation of this kind granted by the Combined Ordinary and Extraordinary Shareholders on 25/09/13 and which is due to expire, the global and individual ceilings remain unchanged at 6% of the share capital on the date the Management Board decides to use the authorisation, it being stipulated that: i) the share capital increases resulting from the possible issue of additional shares in the event of further financial operations will be added to this ceiling so as to preserve the rights of holders of marketable securities giving access to the Company's share capital, and that ii) the amount cited above is independent, autonomous and distinct from those fixed in resolutions 9 to 13, but combine with those fixed in resolutions 15 and 16 above, within the limit of the global ceiling for these three resolutions as determined in the 18th resolution.

**Limitation of the ceiling common to authorisations covered by resolutions 15 to 17 (resolution 18)**

In the eighteenth resolution, we propose that you limit the power of the Management Board to accumulate the authorisations granted in the 15th, 16th and 18th resolutions to 8% of the share capital as of the date they are used. The purpose of this is to limit shareholder dilution while enabling the Management Board to provide financial incentives and profit sharing opportunities to employees and/or corporate officers of the Company and those of its Group in relation the development of the Company.

This overall ceiling limitation applied to resolutions concerning dilutive operations designed to encourage employee and corporate officers to invest in the Company is in line with proxy-firm recommendations.

**5.2.2. Material amendment to Article 4 of the Articles of Association (19th resolution)**

At present, the address of Solucom's registered office as specified in Article 4 of the Company's Articles of Association is :

Tour Franklin – **La Défense 8**  
**100/101**, terrasse Boieldieu  
92042 Paris La Défense Cedex

However, the "La Défense 8" location is no longer used to identify the La Défense district where the Tour Franklin is situated. In addition, the street number "100/101" is to be replaced by "100-101".

Accordingly, we propose that you amend Article 4 of the Articles of Association to modify the address of the Company's registered office by removing the location « La Défense 8 » from said address and changing the street number presentation to "100-101".

If this resolution is adopted, you will be required to delegate powers to the Management Board to carry out the associated formalities with the commercial and companies register.

**5.2.3. Amendment of Article 22 of the Articles of Association to bring it into line with new legal provisions governing regulated agreements (20th resolution)**

Law n° 014-1 dated 03/01/14 gave the French government the power, by way of ordinance, to simplify and enhance the security of the corporate procedures. Ordinance n°2014-863 dated 31/07/14 comprised several measures, notably that to reform the regulated agreements regime in limited companies (*Sociétés Anonymes*) by instituting:

- An obligation for Management and Supervisory Boards to justify their decision authorising such agreements (Article L.225-86 of the French Commercial Code as modified by the Ordinance);
- The exclusion from the regulated-agreements procedure of certain intra-group agreements (those entered into by the Company with a wholly-owned subsidiary, according to the provisions of Article L.225-87 of French Commercial Code as modified by the Ordinance).
- An annual review carried out by the Supervisory Board of the agreements concluded and authorised in previous years (new Article L.225-88-1 of the French Commercial Code of the Ordinance).

Accordingly, we propose that you modify the dispositions of Article 22 of the Articles of Association - "Regulated agreements" - so that it complies with the new provisions introduced in the French Commercial Code by way of Ordinance n° 2014-863 dated 31/07/14.



#### **5.2.4. Amendment of Article 28 of the Articles of Association to bring it into line with new “Record Date” legislation regarding the shareholder-registration date and procedures used to draw up the list of eligible participants at General Meetings (21st resolution)**

Decree n° 2014-1466 dated 08/12/14 (which came into force on 01/01/15) modified the cut-off date and procedures for drawing up the list of eligible shareholders and bondholders at General Meetings of French listed companies, referred to as the “Record date”.

Henceforth, the cut-off time for eligible participant registration is fixed at midnight (Paris time) on the 2<sup>nd</sup> business day prior to the General Meeting versus midnight, (Paris time) on the 3<sup>rd</sup> business day before the General Meeting prior to the General Meeting. See French Commercial Code: Articles R.225-85 and R.225-71 (modified).

This decree also modifies the registration requirements for voting at General Meetings by removing the criterion concerning the date for shares to be registered in the books under the shareholder’s or the agent’s name (open position). Henceforth the right to vote in General Meetings is subject to the definitive registration of shares in the books under the shareholder’s or the agent’s name (closed position), which corresponds to the transfer of share ownership as defined under L.211-17 of the French monetary and financial Code.

The modifications made to Article R.225-85 of the French Commercial Code make no provision for any derogation; henceforth non-compliant statutory clauses will be unenforceable and may be removed or modified by an Extraordinary Shareholders Meeting to be held at the same time as the Annual General Meeting.

Accordingly, we propose that you modify the provisions of Article 28 of the Articles of Association, “Admission to General Meetings - Powers” to bring it into line with these new regulations.

#### **5.2.5. Powers for formalities (22nd resolution)**

Standard resolution granting the necessary powers to carry out all publication and legal formalities.

The Supervisory Board’s opinion and comments on all of these subjects are given in the Supervisory Board Report.

The Management Board recommends that you adopt the

resolutions submitted to you for approval in the Extraordinary Shareholders Meeting, which will be followed immediately thereafter by the Ordinary Shareholders Meeting.

## **6. Social report and observations of the works committee**

### **6.1. Debt and dividend policy**

As required by law, Solucom drew up a social report, in accordance with the provisions of Article L.2323-74 of the French Labour Code, which was reviewed by the Works Council on 29/05/15.

The social report and Works Council observations are available for shareholder consultation. Certain elements in the social report pertaining to the Statutory Auditors’ mission are reviewed in the Statutory Auditors report.

### **6.2. Works Council observations on the economic and social situation of the Company, in accordance with the provisions of Article L.2323-8 of the French Labour Code**

None.

#### **The Management Board**

On 01/06/15 and 06/07/15

# Management Board Report

## Corporate Social Responsibility

This report describes Solucom's approach, strategy and actions in terms of Corporate Social Responsibility (CSR). It forms an integral part of the Management Board Report and comprises five sections, namely:

1. Presentation of the Company's general CSR strategy.
2. Information concerning Solucom's social, societal and environmental performances in accordance with Article 225 of the Grenelle II law n° 2010-788 dated 12/07/10 and its implementing decree.
3. Other CRS information (economic responsibility).
4. Methodological note regarding Solucom's 2014/15 non-financial reporting.
5. Independent auditor's certificate of presence and report on the Company's the social, societal and environmental information.

Additional information concerning the Company's CSR information is presented in section 1 of the present Registration Document, and the Corporate Social Responsibility page on the Company's website [www.solucom.fr](http://www.solucom.fr)

Fiscal 2014/15 is Solucom's third year of non-financial reporting, in accordance with the "Grenelle II" regulatory framework. Since 2013/14, Solucom's published CSR information has been verified by an external independent party. The present report traces the comparability of quantitative data over the past three years. Scope of consolidation trends are detailed in the methodology note at the end of the report.

### 1. Solucom's general CSR approach and strategy

#### 1.1. General strategy

In 2011, Solucom launched an initiative aimed at structuring and developing its commitments in terms of sustainable development. These include Solucom's concrete commitments in all areas of responsibility and which are in line with the ethical initiatives carried out by the Company, as well as transparency issues and, more broadly, the Company's social, societal, environmental and economic performances.

Solucom's CSR approach is founded upon a three-fold objective to:

- be a responsible business in its environment and sphere of influence;
- contribute towards enhancing the quality of its relationships with stakeholders;
- ensure the compliance of the Company with applicable legal and regulatory obligations.

To determine its CSR priorities, Solucom mapped out its sphere of influence and identified within this ecosystem the stakeholders which are impacted the most by its strategy: employees, candidates, clients and suppliers, shareholders and investors, environment and local authorities, associations.

#### 1.2. Commitments

Solucom has identified four areas of CSR commitment, each with its own hierarchy of prioritised actions:

1. To be a responsible and committed employer
2. To reduce the firm's carbon footprint
3. To promote equal opportunity and the elimination of all forms of discrimination in the workplace
4. To guarantee respect of strict rules in terms of governance, transparency & ethics

These four commitments have been defined on the basis of the key goal set by Solucom in terms of CSR: to be a responsible business vis-à-vis its principal stakeholders. Note that in addition to addressing this goal, commitments 1 and 4 are also performance drivers for the Group.

Concerning commitment 1 (social responsibility), the quality of Human Resources management is a key success factor for a consulting firm. The goals prioritised by Solucom under this commitment are largely in line with the Group's HR objectives fixed in its HR strategy.

More details are given in Chapter 1 of the Solucom Registration Document.

Concerning commitment 4 (economic responsibility), the goals prioritised for all actions carried out contribute towards strengthening client loyalty, as well as enhancing the appeal of the Company for candidates, shareholders and investors.

### Details of prioritised action objectives by field of responsibility

Solucom's CSR strategy is focused on implementing these commitments and pursuing the continuous improvement in the four related fields of responsibility.

- **Commitment n° 1** - To be a responsible and committed employer:
  - Guarantee employees the possibility of acquiring more skills and greater responsibility
  - Implement a competitive, transparent and fair pay policy and promote internal cohesion
  - Provide a high-quality working environment
  - Combat stress and suffering in the workplace
  - Ensure job security for staff members over 50.
- **Commitment n°2** - to limit the Company's carbon footprint:
  - Improve its waste management and recycling policy
  - Reduce the Company's environmental footprint;
  - Heighten employee awareness to eco-gestures and responsible procurement practices.
- **Commitment n°3** - Promote equality of opportunity and non-discrimination:
  - Foster the promotion of women to positions of responsibility;
  - Develop the level of qualification, and promote the professional integration of young disabled employees.
  - Promote the emergence of new graduate profiles.
- **Commitment n° 4** - guarantee compliance with strict rules in terms of governance, transparency and ethics
  - Conduct consultancy activities with integrity, independence and transparency;
  - Guarantee candidates an exemplary and value-added recruitment processes;
  - Develop lasting relationships with our suppliers based on a shared set of values (respect, integrity);
  - Deliver transparent information on a regular basis to our shareholders, including individuals, and promote dialogue.

### 1.3. Organisation of Solucom's CSR approach

#### CSR implementation and steering

Solucom's CSR approach and strategy are defined and implemented by a multidisciplinary steering committee composed of the Chairman of the Management Board and heads of the operational and support functions<sup>(1)</sup> which represent the Company's main challenges in terms of CSR.

This committee is in charge of defining Solucom's CSR strategy policy and monitoring the Company's social, societal, environmental and economic performances.

#### Operational organisation

At the operational level, Solucom's CSR strategy is implemented by a project manager who reports to the CSR steering committee. The manager is in charge of coordinating the projects in the various fields concerned (social, societal, environmental, economic), as well as employee awareness actions, and the consolidation of non-financial reporting.

For every project, the manager has access to an internal support network of contacts in charge of specific issues within the Group's sites or regarding the services in question.

#### CSR strategy monitoring

Once a year, the Company's CSR strategy is presented and debated at a Supervisory Board meeting.

### 1.4. CSR awards and labels

In 2014/15, Solucom received several awards for its CSR efforts.

- **Social responsibility:**
  - **Great Place To Work® label** delivered by the Great Place to Work France Institute. Based on an internal survey carried out with all Company employees and an assessment of its HR practices, this label recognises companies which are good to work for. In the Great Place to Work 2015 awards, Solucom was ranked the 5th best Workplace out of a total of 69 firms competing in its category (firms with a staff of over 500 employees).
  - **Happy Trainees Label:** awarded by Meilleures-Entreprises.com. Based on an anonymous satisfaction questionnaire addressed to interns of companies being assessed, this independent label rewards firms for their excellence in the welcoming, accompaniment and management of their trainees. In 2014, Solucom ranked 11th in this category (with more than 100 interns / year) out of 400 companies in competition.
  - **Top Employers France certification:** Awarded for the fourth year running by the Corporate Research Foundation Institute (CRF), for the quality of the Company's HR practices.
- **ResponsabilitéAEconomic responsibility and non-financial transparency:**
  - **Gaia Index :** the reference SRI index for small and mid caps, assesses and classifies 230 French SMEs and mid-tier companies according to their level of implication in

(1) Director of HR Development, the Director of the Practice also in charge of IT, the Director of recruitment and school relations, as well as the Director of Communications and Treasurer of the Solucom Corporate Foundation.

terms of non-financial transparency and CSR performance. In 2014, Solucom ranked number one in its category (firms with revenues of less than €150m).

- **Ecovadis:** Solucom was awarded the “gold” category” label for its confirmed CSR commitment at the social, environmental, business ethics and responsible procurement levels by Ecovadis, an independent non-financial rating agency specialised in CSR performance assessment.
- **Investor relations prize :** organised by the Les Échos / Investir & Mazars firm, this prize rewards listed companies for their ability to develop and maintain lasting relationship with their individual, employee and institutional shareholders. In 2014, Solucom won first prize in its category (small caps), the second time since 2012.

### 1.5. CSR commitments

- **Global Compact :** Solucom renewed its membership with the Global Compact and, as such, its commitment to align its operations and strategy with the ten universal principals applying to human rights, labour standards, and the fight against corruption.
- Corporate parenthood charter: as a signatory of the charter since 2013, Solucom is committed to promote parenthood-related representation within the company, to create a favourable environment for working mothers and fathers, and to respect the principle of non-discrimination throughout the professional development of parents in the workplace.

## 2. Information about Solucom's social, societal and environmental performance, in accordance with the Grenelle II Law (Article 225)

### Preamble

This section complies with the provisions in Articles L. 225-102-1 and R. 225-104 to R. 225-105-2 of the French Commercial Code relating to the corporate transparency obligations on social, societal and environmental issues. The information presented below covers the 42 themes in the decree of application dated 24/04/12.

*Details of the Company's CSR reporting are given in section 4. In accordance with the methodological principals defined in 2012/13, non-financial reporting does not cover acquisitions*

*carried out in during in current year. As such, the companies Audisoft Oxéa and Hudson & Yorke, acquired respectively on 29/10/14 and 12/02/15 have not been included in the 2014/15 consolidation scope, unlike Lumens Consultants and Trend Consultants which have.*

### 2.1. Social information

At the social level, Solucom is committed to being a responsible and engaged employer. This involves attaining the five key objectives mentioned above, which falls under the responsibility of the Director of HR development. To achieve this, Solucom has mobilised considerable resources, given that the Company's success essentially hinges on its ability to attract the best talents, develop their potential, and retain them.

#### Organisation of the HR development department

Solucom's HR development department is responsible for implementing the Company's human-resources strategy. This department comprises three divisions: the recruitment team which carries out the Company's recruitment strategy; decentralised human-resources teams within each of the Company's practices; and the personnel management team, in charge of pay and administrative management operations.

*For the record, Solucom's HR strategy is presented in Chapter 1 of the Company's Registration Document.*

#### 2.1.1. Employment

##### 1) Total workforce

At 31/03/15, Solucom's total workforce, excluding Audisoft Oxéa and Hudson & Yorke, was 1,461 employees, up 13.6% on the year-earlier level of 1,286.

The Company's workforce at 31/03/15, breaks down as follows:

- 61% of employees were under 30 years of age;
- 32% of employees were women;
- 92% of employees were based in the Paris region (Solucom's head office);
- 96% were managers;
- 99% had permanent employment contracts;
- There are 3 job categories : consultant ; sales ; support.

## 2) Breakdown of workforce by gender, age, geographic region and job category

### Breakdown by gender

(% of total workforce)	At 31/03/15	At 31/03/14	At 31/03/13
Men	68.2%	69.0%	68.0%
Women	31.8%	31.0%	32.0%
Consultants			
Men	72.8%	73.3%	72.6%
Women	27.2%	26.7%	27.4%

Within the context of its 2013-16 action plan for professional gender equality, the Company implemented measures to ensure the strict application of gender non-discrimination. (For more details, section 2.1.7 - "Equal opportunity and treatment" - of the present report.)

### Breakdown by age group

The average age of Solucom's workforce at 31/03/15 was 32.2 years, versus 32.4 a year earlier. The following table gives a breakdown of the Company's workforce by age group over the last three fiscal years:

(% of total workforce)	At 31/03/15	At 31/03/14	At 31/03/13
18-25 years old	14.7%	13.7%	13.4%
25-30 years old	46.7%	45.9%	43.4%
30-50 years old	32.8%	34.7%	37.9%
> 50 years old	5.8%	5.8%	5.3%
<i>o/w &gt; 55 years old</i>	2.4%	2.4%	2.6%

### Average length of service

The average length of service, for all job positions was 5.3 years at 31/03/15, versus 5.6 years at 31/03/14.

	2014/15	2013/14	2012/13
<b>Company total</b>	<b>5.3 yrs</b>	<b>5.6 yrs</b>	<b>5.2 yrs</b>
<i>o/w consultants</i>	<i>5.2 yrs</i>	<i>5.4 yrs</i>	<i>5.2 yrs</i>

### Breakdown by geographic region

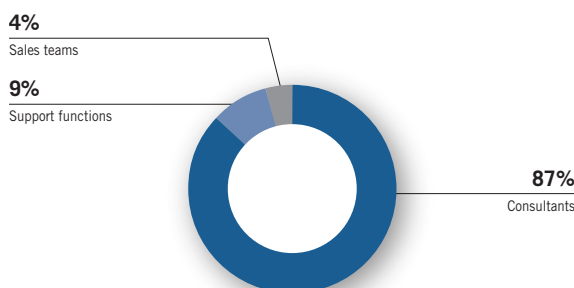
All of the Company's Parisian teams work at the Paris La Defense site. In addition, Solucom has 3 sites in the provinces, namely: Rhône-Alpes (Lyon), PACA (Marseilles) and West (Nantes), as well as 2 sites abroad; the office in Casablanca (Morocco) and notably the office in London (UK) acquired via the takeover of Hudson & Yorke on 12/02/15. This company is not included in the current reporting scope.

(% of total workforce)	At 31/03/15	At 31/03/14	At 31/03/13
Paris region	92.4%	91.8%	91.0%
Regional offices	7.0%	7.8%	8.9%
International	0.5%	0.4%	0.2%

### Breakdown of workforce by job category

The breakdown by job category (consultant, sales, and support functions) of the Company's workforce is given in the table below:

(% of total workforce)	At 31/03/15	At 31/03/14	At 31/03/13
Consultants	86.7%	87.7%	87.1%
Sales teams	4.2%	4.1%	4.8%
Support functions	9.1%	8.2%	8.1%



## 3) Staff arrivals and departures

### Recruitment strategy

Solucom recruited more than 300 new employees in 2014/15. The firm's hiring strategy prioritises the recruitment of young graduates (68% of hirings in 2014/15), stemming mainly from the most prestigious engineering and management schools and universities.

In addition, as part of its pre-recruiting strategy the Company takes on over a hundred trainees every year (in the form of sabbaticals, end-of-studies internship, apprenticeship and work/study programmes). For example, in 2014/15, 64% of the Company's end-of-studies trainees seeking employment received permanent employment contracts at the end of their training period. In this context, recruitment strategies concerning trainees are equally demanding as those applied to new employees and benefit from the same integration and support.

### Details of staff hirings and departures (excluding internships)

Staff hirings and departures in fiscal 2014/15 and 2013/14 are given in the tables below:

Staff hirings	2014/15		2013/14	
	Number	%	Number	%
<b>Total external recruitment (excluding internal mobility)</b>	<b>351</b>	<b>100.0%</b>	<b>273</b>	<b>100.0%</b>
<i>o/w permanent employment contracts</i>	332	94.6%	261	95.6%
<i>o/w temporary employment contracts</i>	19	5.4%	12	4.4%
<i>o/w fixed-term</i>	4		3	
<i>o/w skills-acquisition and work-study contracts</i>	15		9	

Staff departures	2014/15		2013/14	
	Number	%	Number	%
<b>Departures (excluding internal mobility)</b>	<b>217</b>	<b>100.0%</b>	<b>173</b>	<b>100.0%</b>
<i>o/w resignations</i>	156	71.9%	119	68.8%
<i>o/w end of fixed-term contracts (work/study programmes and apprenticeships) and suspension of trial periods</i>	49	22.6%	36	20.8%
<i>o/w dismissals</i>	10 <sup>(1)</sup>	4.6%	13	7.5%
<i>o/w employment-contract termination by mutual consent</i>	0	0.0%	4	2.3%
<i>o/w retirement</i>	2	0.9%	1	0.6%

(1) 10 dismissals for individual reasons.

During the fiscal year, one part-time employee was employed within the Company.

### Staff turnover

The turnover rate (the number of resignations divided by the workforce at year end) was low, at 10.7% over the fiscal year, versus 9.3% in 2013/14. These rates are significantly lower than market standards and the normal range of the Company (12 -15%).

	2014/15	2013/14	2012/13
Turnover (%)	10.7%	9.3%	12.2%

## 4) Compensation and compensation trends

### Pay policy

Solucom's pay policy is based on three principles:

- **Competitiveness:** in a competitive market, the wage competitiveness for the Company is key to attracting and retaining the best talents. In its quest to sharpen its competitive edge, Solucom must constantly ensure that its wage policy is coherent with the market, notably via regular benchmarks (Syntec compensation reviews, management consulting) and reviews of a more specific nature carried out by a specialised HR consulting firm.
- **Fairness and cohesion:** salary increases based on individual performance; variable components based mainly on collective targets to encourage the achievement of results

by promoting team spirit in line with Company values; transparent communication (internal and external) with regard to the Company's pay policy and practices.

- **Professionalism in performance assessment:** Pay increases are pegged to the degree of individual performance. To ensure the quality of performance assessments, Solucom notably relies on common assessment standards and a collective decision-making process for assessing performance and pay rises.

### Payroll

(in thousands of euros)	2014/15	2013/14	% change
The Solucom company	69,023	57,901	
Group subsidiaries	7,039	8,067	
<b>Total Group</b>	<b>76 062<sup>(1)</sup></b>	<b>65 969<sup>(2)</sup></b>	<b>+15.3%</b>

### Employer social contributions

(in thousands of euros)	2014/15	2013/14
The Solucom company	31,210	26,127
Group subsidiaries	3,082	3,638
<b>Total Group</b>	<b>34 292<sup>(1)</sup></b>	<b>29 765<sup>(2)</sup></b>

(1) Excluding Audisoft Oxéa and Hudson & Yorke.

(2) Excluding Lumens Consultants and Trend Consultants.

Profit sharing calculated on the basis of the statutory formula totalled €1,993k in fiscal 2014/15, versus the year-earlier level of €1,830k.

In March 2015, the employees of Solucom, Lumens Consultants and Trend Consultants present in the Group in 2013/14 received profit share bonuses relative to 2013/14 in the amount of €300k, implying a gross payment of €250 per employee beneficiary.

### 2.1.2. Organisation of work

#### 1) Organisation of working time

All of the Company's subsidiaries have adhered to the Syntec reduced working-hour agreement. With some exceptions,

### 2.1.3. Social relations

#### 1) Organisation of social dialogue

At 01/04/14, the Solucom group comprised the Solucom parent company and six subsidiaries : Alturia Consulting, Eveho Conseil, Stance, SLM Consulting, Lumens Consultants and Trend Consultants. The table below summarises the employee-representative bodies in place at each Company, and, for the subsidiaries, the date of their merger with Solucom during the fiscal period.

Company	Works council (WC)	Staff representatives (SR)	Sole employee representative body (SEP) <sup>(2)</sup>	Date of merger within Solucom company
Solucom SA	X	X		
Alturia Consulting			X	30/06/14
Eveho Conseil <sup>(1)</sup>				30/06/14
Stance		X		31/12/14
SLM Consulting <sup>(1)</sup>				
Lumens Consultants		X		31/03/15
Trend Consultants		X		31/03/15

(1) Legal employee threshold not reached.

(2) SEP refers to staff representatives and the works council.

In July 2014, 2 new members of the group committee were appointed by the labour inspection.

There are no union representatives in the Group.

implementation within Solucom of the flexible working hours defined in this agreement is as follows;

- Engineers and executives:
  - grade 2 (fixed number of 218 days per annum on the basis of 38.5 hours per week)
  - grade 3 (fixed number of 218 days per annum)
- ETAM (Employees, Technicians and Supervisors):
  - grade 1 (37 hours per week and paid days-off (RTTs)).

### 2) Absenteeism

Sick leave accounts for the bulk of Solucom's absenteeism in 2014/15 which remained low at 2.7% in 2014/15, versus 2.6% in 2013/14. Maternity and paternity leave, as well unpaid leave (including full-time parental leave) are not factored into the absenteeism rate calculation.

Social work activities are managed by the Works Council. Events organised within this context are essentially sports and cultural activities.

### Summary of meetings between management and employee representatives in 2014/15 (Solucom company scope)

	Meetings with the WC	Meeting with SR	Joint meetings with WC and SR	Group-committee Meetings
Number of meetings	18	7	1	1



#### Examples of subjects on the agenda (for information or consultation purposes)

- Presentation of the 2013/14 social report
- Presentation of the 2013/14 report on the three year gender-equality plan
- Corporate-strategy consultation
- Consultation concerning the CICE tax credit to enhance competitiveness and boost employment
- Presentation of the project to refurbish the Tour Franklin offices (Solucom's registered office)
- Presentation of the generation-contract diagnostics and plan of action
- Consultations concerning merger projects with: Alturia Consulting ; Eveho Conseil ; Trend Consultants ; Lumens Consultants
- Consultations concerning the acquisition projects : Audisoft Oxéa ; Hudson & Yorke ; Hapsis

## 2) Review of collective agreements signed

List of agreements set up (Solucom SA)	Date of signature / presentation
Profit-sharing agreement	31/07/14 (addendum)
Corporate agreement authorising the unblocking of company shares held within the Group's savings scheme via the "Solucom Actions" mutual fund	July 2013 In accordance with the law governing the exceptional unblocking of profit-sharing and incentive schemes
Group agreement to implement a profit share bonus	30/09/14
Group agreement concerning the opening of and regulations governing the group retirement savings plan (PERCO)	27/01/15 This plan enables employees to build up savings over the long term for their retirement
Professional gender-equality action plan	26/06/14 More details are given in section 2.1.7 of the present report.
Generation-contract action plan	04/02/15 More details are given in section 2.1.7 of the present report.

### 2.1.4. Health and safety

#### 1) Health and safety conditions in the workplace

##### Hygiene, safety and working conditions committee (HSWCC)

Both the Solucom and Alturia Consulting companies have Hygiene, safety and working conditions committee.

	Solucom	Alturia Consulting
Number of meetings	5	1 <sup>(1)</sup>

(1) between 01/05/14 and 30/06//14, the date of the Alturia Consulting / Solucom merger.

The HSWCC is associated with professional risk and working condition enhancement measures In accordance with Articles L.4611-8 and L.4612 of the French Labour Code, the Group draws up an annual review of the actions carried out and launched during the year

#### Other health and safety actions

- First-aid
- Road safety
- Refurbishment of premises
- Ergonomics in the workplace and prevention of musculo-skeletal disorders
- Prevention of musculo-skeletal disorders

Since October 2013, an occupational nurse has been employed on a full-time basis at the Company's head office.

#### 2) Occupational Health and Safety agreements

No occupational health and safety agreements have been signed by Solucom SA.

### 3) Occupational accidents and illness

	2014/15	2013/14
Number of occupational accidents	18	13
<i>o/w commuting accidents</i>	16	13
Number of occupational illness declarations	0	0
Rate and frequency of occupational accidents <sup>(1)</sup>	4.9	3.6
Severity rate of occupational accidents <sup>(2)</sup>	0.096	0.025

(1) Number of accidents with leave per 1 million hours worked

(2) Number of days lost due to temporary incapacity caused by occupational accident per 1 thousand hours worked

In 2014/15, out of 18 occupational accidents, 11 of these resulted in work stoppage for sick leave making for a total of 215 days of absence over the period. Note that one motorbike accident alone resulted in 122 sick days during the period.

#### 2.1.5. Well being in the workplace: Solucom's well being programme

The Company has implemented a number of services for its employees to ensure that they pursue their professional development in a serene working environment conducive to a better work-life balance.

The following are just some of measures and services offered to employees:

#### Improved work/life balance

- Within the context of a corporate crèche facility set up in 2008, 50 cots were available for Solucom employees in 2014/15 provided by the Babilou network;
- Childcare leave: employees with one or more children under the age of 12 can take up to three days' paid during the year (either 3 x 1 day, or 1 x 3 days).
- Flexible vacations: no seniority required and, except during periods of high activity, no mandatory holiday dates imposed. Raising awareness to the planning of regular collective meetings during working hours, notably between 9h30 am and 6.30 pm.

2014/15 review of psychosocial risks detected and monitored by the Solucom PSR

	2014/15	Comments
N° of employee support call-centre contacts	4	
N° of PSR cases recorded (01/04/14 - 31/03/15)	40 <sup>(1)</sup>	(1) 27 of which resulting a work stoppage of more than 1 week.
<i>Cases being processed</i>	11	
<i>Cases considered closed</i>	29 <sup>(2)</sup>	(2) The situation of 27 employees has been resolved following the implementation of a personalised action plan carried out with the collaborative support of HR teams, management, and the occupational doctor; 2 employees have left the Company.

#### Specific measures for expectant parents

- Flexible working hours during pregnancy : part-time working and/or telecommuting possibilities available from the fifth month of pregnancy
- Mechanism in place for the gradual return to work after maternity leave;
- Subrogation:
- Full pay maintained throughout maternity or paternity leave, irrespective of the employees length of service within the Company.
- The Solucom Parenthood Guide published by the Group in 2014 for employee parents and future parents provides a list of specific services and a regulatory-framework check for all situations (maternity, paternity and adoption).
- Solucom has been a signatory of the Corporate Parenthood Charter since December 2013.

#### Prevention and treatment of psychosocial risks

Solucom has implemented measures to detect and prevent psychosocial risk in the workplace and set up a support system to provide employees in situations of excessive stress and/or suffering at work with the necessary care and counselling. Solucom's staff-counselling service is designed to provide employees in difficulty with personalised support adapted to meet their specific needs.

As such, depending on their needs, employees in difficulty have access to a team of staff-members trained in psychosocial risk detection; members of local HR teams, heads of department, HSWCC members, staff representatives, the Company nurse based at Solucom headquarters, the occupational doctor and a dedicated call-centre.

### Quality working environment

Beyond the Company's basic risk-prevention strategy, Solucom pays particular attention to ensuring the quality of life in the workplace and the fulfilment of its employees by providing a congenial day-to-day working environment. To this end, life in the Company is paced around a wide range of opportunities for employees so that they can exchange and share ideas (practices forums, team dinners, annual convention and party, etc.) and benefit from a variety of services and facilities (corporate concierge service and private sports club at Company headquarters).

In addition, at the end of 2014, Solucom undertook the renovation of its premises located within the Tour Franklin in Paris La Défense. This new interior design concept has provided employees with a more pleasant, convivial and functional working environment adapted for all working situations: formal meetings and informal gatherings, brainstorming and creativity, recruitment meetings, telephone conferences and relaxation areas.

### Great Place to Work® in-house survey

In 2014, Solucom conducted its first internal employee satisfaction survey in association with the Great Place to Work France® (GPTW) Institute. By way of an anonymous satisfaction questionnaire, employees were able to express themselves on the quality of life within the Company. The GPTW® survey assesses the company on five levels: credibility, respect, fairness, employee pride and conviviality.

Nearly three quarters of the Company's employees took part. Of these, 86% of the respondents consider that Solucom is a good company to work for.

This is a long-term assessment approach which is in line with the continuous improvement of Solucom's HR practices. The findings of the survey were very instructive and will be used to fuel future HR action plans, as well as to better identify the areas of improvement and initiatives to be taken within the framework of the "Solucom 2020" strategic plan.

#### 2.1.6. Integration and development of skills

##### 1) Integration

#### New-employee induction seminar and training

Within the context of the "Solucom Inside" recruitment programme, Solucom organises induction seminars across the Group twice a year to provide new employees with multiple opportunities for exchange. Company management and management teams are involved in the programme, which is

designed to help new employees discover the Company, find out more about their profession and develop their internal network.

All recruits follow at least four training sessions a year including this induction seminar.

#### Sponsoring

New employees joining the Group are taken under the wing of a sponsor who guides them through their first steps within the Company.

#### Close employee monitoring

Groups of around 15 employees on average are closely monitored by a consultant, an HR representative and a team manager.

#### Integration of newly acquired companies

Solucom's external growth strategy calls for the regular integration of newly acquired companies. The Group has perfected its new-subsiary integration methodology over the years via the successive acquisitions of Alturia Consulting, Eveho Conseil, Stance, Lumens Consultants and Trend Consultants. Conducted in project mode, this process is piloted by a dedicated task force, comprising the directors of the acquired company and members of the Solucom Executive Committee representing the different operational and support functions implied.

Acquisition integration is achieved by the swift deployment of practices, as well as performance-monitoring and administrative-management tools. At the same time, particular attention is paid with regard to the role of Human Resources in the process: HR involvement covers three areas, notably:

- Welcoming the acquired company into the Group, helping the newcomers discover the Group and internal communication.
- Gradual alignment of HR practices and discrepancy management.
- Progressive roll-out over 2 to 3 years of the Solucomway career development programme and the Group's pay policy

At the same time, new acquisitions are integrated into the Solucom organisation model and the Group's HR process.

In 2014/15, Solucom continued to foster new team integration at the professional level and stepped up actions carried out in this respect for new employees: theme-based exchange workshops, newsletters giving a progress report on the consolidation process, sponsoring actions, etc..

## 2) Skills development

Given the nature of the consulting business, employee development potential is a key priority for the Group. The rapid acquisition of skills and responsibility is a major challenge for Solucom particularly since the Company's HR model is founded upon the recruitment of young graduates (68% of new hirings in 2014/15). To this end, the Group has implemented additional measures described below.

### The Solucomway core competency reference base

The Solucomway profession-specific career development framework is a guide to the career-path possibilities open to Company employees. A detailed account of the capacities to be developed (in terms of savoir-faire and self-management skills) is given at every stage of the career-path development process. For example, the consulting career path is based around five key positions (consultant, senior consultant, manager, senior manager, executive partner). Within this context, 84 employees were promoted to higher grades in 2014/15.

#### ■ Total number of training hours and days <sup>(1)</sup>

(calendar-year data)	At 31/12/14	At 31/12/13	At 31/12/12
Total expenditure for professional training	1,908	1,758	1,606
Percentage of total payroll (%)	2.6%	2.7%	3.1%
Number of employees that received at least one training session during the year	853	828	927
Percentage of workforce that received at least one training session during the year	60%	67%	79%
Number of days training given in the year	2,370	2,477	2,294
Number of hours training given in the year	16,587	17,344	16,740

(1) External and internal professional training programmes provided by the firm's training institute.

Under the Individual Right to Training (DIF) scheme, the number of training hours totalled 84,097 at 31/12/14, versus 70,346 hours at end-December 2013.

Note that : The launch of Solucom'university in 2012 led to a sharp increase in training volumes dispensed in 2012/13. Since 2013/14, training activity has returned to more normal levels. In addition, the implementation of training programmes for Lumens Consultants and Trend Consultants (see paragraph concerning the integration process of new acquisitions) will not be carried out this year but is scheduled for next year.

### Missions, role-plays and coaching

For all of the Company's employees, the professional missions they carry out also provide the opportunity for them to develop and enhance their individual skills. This in-the-field learning approach is an essential growth driver within the Group. For consultants, their individual goals concerning new-skill development are taken into account during the staffing process (weekly assignment of consultants on missions).

### Internal training institute and external training programmes

To provide its employees with long-term support throughout the development of their careers, Solucom has set up its own training institute; the Solucom'university. This institute offers around twenty "made-to-measure" training modules designed to enable employees to develop the skills detailed in the Solucomway core-competence framework.

All internal training sessions are carried out on a cross functional basis involving all Company practices and functions. These sessions promote the exchange of feedback and Company values and offer employees another opportunity to develop their own internal networks.

In 2014/15, 148 training sessions were held with an average participation rate of 8 employee-trainees per session. This compares with 113 sessions held in 2013/14.

To meet its training needs in areas not covered by Solucom'university, Solucom also makes recourse to external training solutions.

All employees seeking to pursue executive career paths, are accompanied by more experienced managers in a series of management role-play sessions over a period of six to eighteen months.

In addition, consultants are regularly encouraged to expand their field of activity by working on missions that take them beyond their normal field of experience (recruitment, communication, HR, management and finance, etc.). These missions can be carried out in tandem with their normal activities or on a full-time basis over a period of six to twelve months.

### Knowledge management

At Solucom, knowledge management is designed to enhance the collective knowledge of the firm and involve all of its employees in building the corporate vision of the Company. Initiatives developed within this context provide opportunities for consultants to meet and exchange: knowledge-sharing venues, weekly decoding workshops expert networks, etc.

*More details are given in Chapter 1 of the Solucom Registration Document.*

### Internal mobility

Internal mobility is strongly encouraged by the Company as a means of diversifying and enhancing the individual career paths of its employees. All employees can apply for job

vacancies advertised by the Group within the context of its annual recruitment plan. Solucom is committed to reviewing all job applications even when a position is not open. As in the case of external recruitment, internal mobility is a formalised process monitored by the Company's HR teams.

### Breakdown by type of internal transfers

	2014/15		2013/14		2012/13	
Regional transfer	8	33.0%	3	12.5%	7	25.0%
Occupational transfer	5	20.8%	9	37.5%	9	32.1%
Inter-Practice transfer	11	45.8%	12	50.0%	12	42.8%
<b>Total</b>	<b>24</b>	<b>100%</b>	<b>24</b>	<b>100%</b>	<b>28</b>	<b>100%</b>

### People reviews and annual staff performance assessments

Every year, the career-paths of Group employees are reviewed by the "People reviews" committee, comprising representatives from management and the HR departments attached to the employee's specific practice. The current stage of development of the employees career-path plans are also reviewed together with their medium-term outlook and the associated development plan. Within Solucom, structural decisions on employee carer development (trends in professional advancement and pay) are made by collective bodies.

Moreover, annual performance reviews between employees and their managers are divided into 2 parts; the first session is dedicated to reviewing the employee's past-year performance, and the second to examining their medium-term (2-3 years) career development, and drawing up an appropriate development plan. The goal of all Company team managers is to help employees achieve their full potential. The annual performance review is a privileged moment of exchange and a training ground for all of the Company's new team managers.

#### 2.1.7. Equality of treatment

Solucom is in the process of defining and rolling out a number of equal-opportunity action plans, in accordance with the Company's commitment to adhere strictly to the principles of ethics and fairness. Solucom's social and societal policy is reflected in its programme to promote diversity and non-discrimination.

At the social level, the working priorities include professional gender equality, integration and support for employees with disabilities, and job security for employees over 50.

### 1) Gender equality

#### 2013-2016 gender-equality action plan

In line with the first set of initiatives implemented in previous years, Solucom undertook to review its gender equality policy in 2012/13 and drew up a three-year plan which went into effect in fiscal 2013/14.

The areas of action and objectives set for 2016 are as follows:

**Recruitment :** to apply a strict gender non-discrimination policy to ensure that the number of woman consultants is proportionally in line with the number of female students in the Company's target schools

- **Career development:** Move towards a balance between the percentage of women in roles of responsibility (operational or top management) and their percentage of the total workforce.
- **Compensation:** Maintain a strict equal pay policy for men and women.
- **Work-life balance:** Promote a healthy work/life balance for both men and women, notably by implementing specific measures aimed at facilitating this balance for employees with children.

#### Percentage of female employees in the Group

	At 31/03/15	At 31/03/14	At 31/03/13
% of total workforce	32%	31%	32%
% of consultants	27%	27%	27%

The high percentage of men in the firm's workforce is due to the large proportion of consultants recruited from engineering schools, which, traditionally, are disproportionately male.

For the record, consultants made up 87% of Solucom's total workforce at 31/03/15, versus the year-earlier level of 88%. In 2014/15, 58% of consultant hirings were recruited from engineering schools, versus 67% in 2013/14.

More details concerning Solucom's 2013-2016 gender-equality action plan are given in the Company's comparative study report, available on the page devoted to "Corporate Social Responsibility" on the Solucom website: [www.solucom.fr](http://www.solucom.fr)

## 2) Employment and integration of people with disabilities

Solucom is in the process of drawing up its policy to promote employment and support for people with disabilities. Developed by a dedicated working group, the first Disability action plan focuses on two fields of action:

**1. Social** - Solucom's Human Resources strategy, which privileges three areas in particular:

- **Recruitment and integration of disabled workers**, notably by working with the Company's network of targeted schools which are highly committed to the question of disability, and by participating in dedicated events; virtual forums and Handicafé®. Created in 2007 by ADAPT (association for the social and professional insertion of people with a disability), and integrated into student campuses by the FÉDÉEH (student federation for the promotion of education and employment for disabled people), the Handicafé® forums provide a privileged meeting ground for disabled candidates and recruitment officers. In 2014/15, Solucom became a member of Handicafé® de Grenoble EM and the Telecommunications Forum.
- **Promoting recourse to companies in the protected sector** via outsourcing services such as printing and catering to work-assistance establishments for the disabled (ESATs), both at the internal and external levels. In 2014/15, the Company reinforced its commitment to work with companies in the protected sector by engaging a sheltered-employment company to provide IT and electronic recycling services (printers, cartridges, toner, etc.).
- **In-house awareness-raising campaigns**, designed notably for Human Resources teams, recruitment officers and management representatives. Note that, Solucom has decided to implement a disability declaration incentive policy.

**2. Societal** - Within the context of the actions carried out by Solucom to promote equal opportunity and non-discrimination, the Company implemented a recruitment charter and supports

humanitarian and civil projects (*see. section 2.3.2*). These initiatives are designed to help students with disabilities gain access to further education, build on their qualifications and ultimately enter the professional working arena.

In addition to pursuing and stepping up these efforts, Group priority next year will be focused on integrating the recruitment process at the professional level (adjusting procedures and providing guidance on disability-related issues to recruitment officers) then integrating workers with disabilities in the work place (HR training sessions in the integration of disabled workers).

Since all of the actions initiated by the Company to promote the employment and assist the integration of disabled workers will be carried out over the long term, they have had no tangible impact to date. At 31/12/14, the Company had four employees with disabilities. Solucom contributed €410.9k to the Agefiph disability support fund in calendar year 2014.

## 3) Anti-discrimination policy

### 2013-16 generation contract action plan

After consultation with one of the Groups' committees, Solucom implemented a three-year generation contract action plan in 2013. This plan has been implemented enabling the Company to pursue the initiatives already being carried out, be it in terms of ensuring job security for employees over fifty (within the context of the 2010 over-fifty employees agreement) or the integration of young graduates.

The proposed measures, defined at the end of an in-depth review undertaken jointly with staff representatives, are based on the following three commitments and actions:

- **Commitments to ensure job security for the over fifties**
  - **Job security** : Guarantee job security for at least 85% of employees aged 55 or over.
  - **Career planning and skills development** provided by a Seniors Career Management Committee set up by the Company and with support from HR contacts and management teams. Examples of proposed measures include end-of-career interviews for the over 50s, dedicated training and career management, etc.
  - **End-of-career arrangements**: Specific actions are implemented for employees on reaching fifty to help them achieve their end-of-career goals and to capitalise on their acquired experience. Senior staff members may adapt these plans to meet their personal circumstances by taking advantage of a range of services, such as retirement coaching, access to assisted part-time work for employees who are sixty and over, etc.

At 31/03/15, employees aged 50 and over accounted for 5.8% of the total workforce, stable on year-earlier levels. Moreover, at end March 2015, more than 35 employees in the Company were over 55 (equivalent to 2.4% of the total workforce), compared with 31, one year earlier.

- **Commitments to long-term employment for young employees**
  - **Recruitment:** The firm's objective is to recruit at least 70% of its permanent FTEs from candidates under 26 years of age.
  - **Trainee integration, training, monitoring, support and supervision:** To enable the fast integration of young recruits under the best possible conditions, Solucom has implemented a set of comprehensive training and integration procedures and mechanisms (mentoring, induction meetings, seminars, etc.) run by the firm's HR teams (see 2.1.6).
- **Knowledge and skills transfer**
  - **Key skills benchmarks:** A formal description of consultancy and sales skills is being drawn up for support functions. These skills are also broken down for every stage of every career path.
  - **Skills mapping:** Annual interviews, career reviews, job titles, etc.
  - **Skills and knowledge development** (section 2.1.6.).

For more details of the firm's anti-discrimination initiatives, section 2.3.1 of this report.

#### 2.1.8. Promotion and respect of fundamental ILO agreements<sup>(1)</sup>

##### Suppression of employment and occupation discrimination

For more information about the firm's initiatives to combat discrimination in employment, section 2.1.7.

## 2.2. Environmental information

As Solucom's activities are exclusively intellectual, its impact on the environment is limited. However, since 2012/13, the Company, has been committed to the active monitoring and reduction of its environmental footprint.

To measure its main impact zones and identify its key actions, the Company carried out a first carbon audit (Bilan Carbone®) in 2012/13, which revealed that Solucom's main environmental challenges were **business travel, the environmental footprint of Company premises, paper consumption and computing and datacenter energy loads**. While Company reporting and actions therefore focus on these points, other areas of research and improvement are also covered.

At the same time, the firm has implemented an environmental reporting procedure in compliance with articles 75 and 225 of the Grenelle II Law. This initiative made it possible to identify the key benchmarks and contacts to obtain data, implement an information feedback system, and provide data that can be used as a basis of comparison to produce key annual indicators.

#### Details concerning Solucom's environmental reporting methodology

The methodology set up in 2012/13 remained unchanged in fiscal year 2014/15. Note however, that, certain regulatory reporting points considered not to be relevant to the Company's activities<sup>(2)</sup> have been excluded from the reporting scope.

The 2014/15 environmental reporting scope includes the companies Solucom SA, Alturia Consulting, Eveho Conseil, Stance, Lumens Consultants and Trend Consultants. To simplify the reading of this section, these six entities are grouped together under the collective name of "Solucom".

These entities' employees are spread across four sites:

Site	Workforce at 31/03/15	Breakdown (% of Solucom workforce)
Paris La Défense	1,350	92.9%
Lyon	35	2.4%
Marseilles	22	1.5%
Nantes	46	3.2%
<b>Total</b>	<b>1,453</b>	<b>100%</b>

Data was collected from all four sites. Information that could not be gathered at the Lyon, Marseilles and Nantes sites was extrapolated from the basis of the Paris-site ratios. Moreover, in some cases, total figures for the 2014 calendar year were used as a default estimate, rather than using actual 2014/15 which were more difficult to obtain.

(1) International Labour Organisation (ILO).

(2) See concordance table in the appendix to the present report.



For a better understanding of the information presented, the definitions and calculation methods for certain indicators are detailed in footnotes at the bottom of the page.

### 2.2.1. General environmental policy

#### 1) Solucom organisation concerning environmental issues

Until 2011/12, Solucom's environmental actions were not carried out within the framework of a dedicated organisational structure, but on an individual, one-off basis. In 2012/13, Solucom launched an environmental initiative within the context of its CSR strategy. As part of this, the Company carried out an internal environmental audit to better identify the major environmental impacts of the Company and the priority actions to be taken. Accordingly, the Company carried out its first Carbon Footprint<sup>®</sup> audit in 2012/13.

In 2013/14, Solucom pursued its commitment to improve its environmental auditing efforts by including the offices in Lyon, Marseilles and Nantes into the reporting scope.

In 2014/15, still within this continuous improvement approach, Solucom pursued the gradual roll-out of actions to limit its environmental impact (recycling end-of-life computer material) and promoting eco-responsible purchasing (raising awareness of main players and decision-makers in the Company, such as practices assistants, and in-house and external events organisers, etc.). In the same year, the Company also improved the reporting process set up in 2012, notably by choosing more reliable data sources (particularly for major challenges such as staff travel).

In addition, sustainable development criteria were integrated into several plans concerning the renovation launched in 2014 of the Company' Tour Franklin headquarters (see . 2.1.5); Furniture purchases; IT solutions (badge printing system, visio-enabled conference rooms to limit staff travel), and the installation of beverage-package sorting and recycling machines.

### 2) Employee environment training and information initiatives

In terms of raising staff awareness to environmental issues, Solucom briefs its employees on key environmental actions carried out attached to the implementation of new practices (use of eco-label paper, eco-responsible printing module, etc.).

The results of the first carbon audit carried out in the two previous years, together with the main lessons learnt from Solucom's environmental-issue continuous improvement initiative were communicated to all staff members via the Company website.

#### 2.2.2. Pollution and waste management

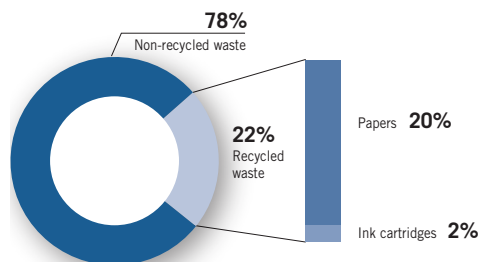
Waste generated by Solucom is mainly office waste and end-of-service computer equipment. Electrical and electronic waste (WEEE) accounts for around 1% of the total waste generated by Solucom's activities, which, nonetheless, represents a major challenge for the Company. This type of equipment has a high ecological footprint throughout its entire life-span (mobilising water, metal and energy resources at all stages from product design through to recycling).

##### 1) Office waste

In fiscal 2014/15, Solucom collected some 40 tonnes of waste<sup>(1)</sup>, equivalent to about **27.8 kg per employee**. This breaks down as follows:

- Non-recycled waste: 1.4 metric tonnes of non-hazardous office waste<sup>(2)</sup>
- Recycled waste:
  - 8.28 tonnes of paper waste;
  - 0.72 tonnes of used ink cartridges from printers and photocopiers<sup>(3)</sup>. All ink cartridges are collected by the company Netser and recycled by Cnibi, a company specialised in ink-cartridge recycling.

■ Office waste - 2014/15 (tonnes/yr)



Concerning trends in office waste over the past 3 years, two points are worthy of note. Firstly, the average weight generated per employee narrowed by around 11% between 2012/13 and 2014/15. Secondly, there was a sharp increase in the amount of recycled waste (22% in 2014/15, versus 16% in 2013/14).

(kg/employee)	2014/15	2013/14	2012/13
Office waste	27.8	29.5	31

In 2015, within the context of the renovation of the Company's Tour Franklin headquarters, Solucom will install beverage-package sorting machines for cans, goblets, and plastic bottles. This solution will be tested on the renovated pilot floor before being rolled out to other floors.

### 2) Computer waste

Since Solucom employees need efficient computer equipment to carry out their activities, the Company decided that computer hardware was to be replaced on a regular basis, particularly laptops (every four years).

To prolong the life-span of end-of-service IT equipment, these products, in particular laptops, are offered to employees.

In August 2014, Solucom implemented a procedure for the systematic recycling of end-of-service computers. Solucom engaged APR2<sup>(1)</sup> (a certified company which promotes the employment of disabled persons) for its WEEE treatment services. This company uses a clean process to eliminate toxic components and recycle recoverable materials. A first batch comprising 3,142 tonnes of electronic equipment stored by Solucom was treated by APR2 in 2014. This waste collection and treatment service will be carried out every year.

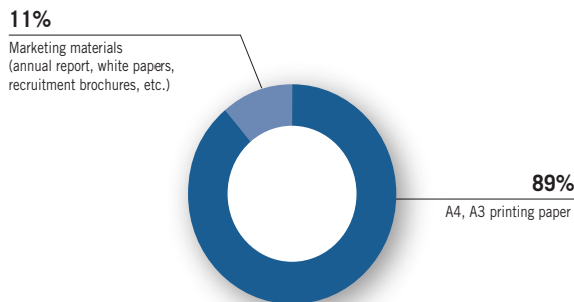
In 2014/15, some 600 machines reached the end of their service period (mainly computers and mobile phones), making for about 445 kg in computer waste. The difference in levels recorded in 2012/13 and 2013/14 (300 and 70 machines trashed, respectively) stems from the purchasing cycle for this equipment.

#### 2.2.3. Sustainable use of resources

Solucom has no manufacturing activities. Its use of resources is therefore limited to office consumables and resources which are both used to operate its office buildings.

### 1) Consumption of raw materials

#### ■ Paper consumption - 2014/15 (tonnes/year)



The main raw material consumed by the Company is paper (for printers, photocopiers, marketing materials). In 2014/15, Solucom consumed 14 tonnes of paper, equivalent to 9.56 kg per employee.

(kg/employee)	2014/15	2013/14	2012/13
Paper consumption	9.6	10.1	12.7

This sustained reduction in paper consumption (down 25% between 2012/13 and 2014/15) stemmed from the employee awareness campaigns implemented by the Company.

Solucom promotes the use of recto-verso, black & white solutions for work-related printing (internal proofs or printing). Following on from the success of the pilot operation launched in 2013, the "green print" module (black & white and recto-verso printing) was installed in Company printers in August 2014. This function is integrated directly into Word and Power Point print settings to ensure that the parameters are automatically set.

Paper reduction initiatives have been implemented, mainly to dematerialise certain publications (made available as interactive PDF versions to reduce printed copy volumes). For example, the Company has significantly reduced the number of annual-report printouts (from 800 copies printed in 2010 to 200 in 2014), and uses e-card solutions to convey its New Year greetings to company stakeholders; thus removing the need to print out around 2,500 cards and envelopes every year.

For the record, Solucom recycles all of its paper (section 2.2.3.). All of the paper used by the company is label certified (section 2.2.5.).

(1) For more details concerning APR2 visit [www.proreseaux.com](http://www.proreseaux.com).

## 2) Energy consumption

Solucom's direct power consumption is related to heating, air conditioning, ventilation, lighting and office equipment needs for its offices.

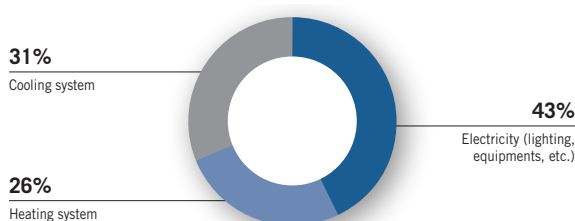
In 2014/15, the Group's final power consumption (electricity, heating and cooling) was **2.82 GWh, or 300 kWh fp/m<sup>2</sup>**, which, once converted into primary power (the power needed to produce this final power), comes out at an estimated 5.03 GWh pp, or 534 kWh pp/m<sup>2</sup>.

Solucom's energy consumption has dropped 10% since 2012:

(kWh/m <sup>2</sup> )	2014/15	2013/14	2012/13
Final energy consumption	300.04	322.78	332.05

Concerning Solucom's main site (93% of its workforce ; 95% of its energy consumption), its offices occupy approximately 8,300m<sup>2</sup> of the Franklin Tower in the La Défense district of Paris. This tower is connected to urban heating and cooling networks that provide heating and air conditioning for the offices. In addition, two independent air conditioning units have been installed in the server rooms. Energy consumption of this site breaks down as follows:

### Final energy consumption: 2014/15 (kWh/m<sup>2</sup>)



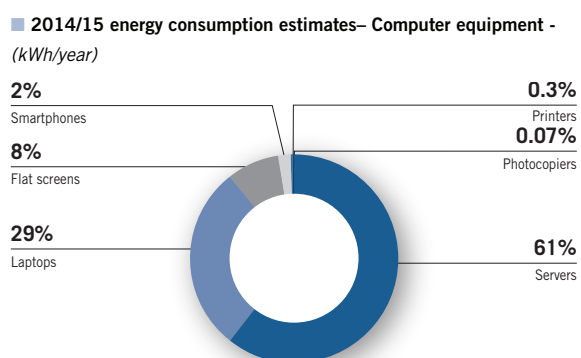
Although energy consumption levels at Company headquarters are high (320 kWh/m<sup>2</sup>, at the top end of the office-building range in the Paris area) this is due partly to the building techniques used in the construction of the Tour Franklin in the Défense district and partly to the significant amount of cool air required in server rooms (cooling system and electric consumption of autonomous cooling systems).

## Focus on computer and telecommunications equipment

Solucom's computer equipment consumes a consider amount of electricity. In total, this is estimated <sup>(1)</sup> at 0.2 GWh, based on the average number of working hours in use and average consumption data.

Factoring in certain uses outside of Solucom premises<sup>(2)</sup>, total energy consumed by computers represented 18% of Solucom's total electricity consumption in 2014/15, versus 20% in 2013.

Solucom's energy consumption breaks down as follows:



All Company laptops carry the EPEAT label <sup>(3)</sup>; 81% of total equipment carry the Silver label, and 19% the Gold. This guarantees, among other things, a precautionary use of natural resources in the manufacturing of the products, as well as their recyclability and compliance with the Energy Star standard for energy consumption while in use. Labelling is now one of the selection criterion used by the Company in its procurement process.

## 3) Water consumption

The main source of water consumption at Solucom is for sanitary purposes in Company buildings, notably the domestic water supply used for sanitary and cleaning purposes, and by air conditioning equipment. Solucom's total annual water consumption <sup>(4)</sup> is around 10,300 m<sup>3</sup>, equivalent to **7.09 m<sup>3</sup> per employee (down 26% on 2012/13)**. This sharp reduction in water consumption stems from the repair work carried out

(1) Estimate based on the number of devices used by Solucom, the average device utilisation rate and the average performance of this equipment in France (source: IDATE). Utilisation rates are based on the following assumptions: laptops, screens and mobile phones are used 1,760 hours a year on average and servers, 8,760 hours. The assumption used for photocopiers and printers is based on 100,000 copies per device per year.

(2) Estimated as 30% for laptops and mobile phones.

(3) The Electronic Product Environmental Assessment Tool (EPEAT) label requires, among other things, the limited use of dangerous substances, guaranteed recycling and durability, low power consumption and low environmental impact packaging (www.epeat.net).

(4) Energy consumption at Company offices in Marseilles and Nantes is extrapolated from that of the Paris-based headquarters (ratio kWh/m<sup>2</sup>).

to fix a leak in the water circuit of the Paris offices which was identified by the Company during the 2013 environmental reporting.

(m <sup>3</sup> /employee)	2014/15	2013/14	2012/13
Water consumption	7.09	9.40	9.52

All of Solucom's offices are located outside water stress areas (defined as areas with water supply of less than 1,700 m<sup>3</sup> per capita per year for all uses combined<sup>(1)</sup>). As such, there is no need to study the pressure exerted by Solucom on local water resources.

#### 2.2.4. Climate change: greenhouse gas emissions<sup>(2)</sup>

##### 1) Summary

The scope of this analysis is limited to four sources of emissions, namely:

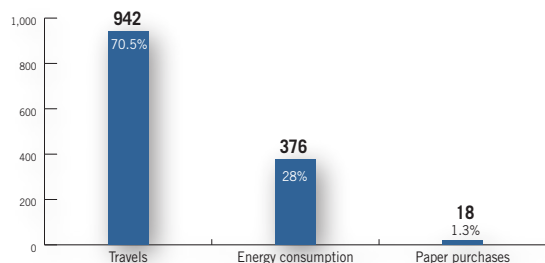
- energy consumption of buildings
- leaks of refrigerant gas in air conditioning
- paper purchases
- business travel and commuting

In fiscal year 2014/15, Solucom's greenhouse gas emissions created by these four sources amounted to **1,340 teq CO<sub>2</sub>**, or 0.92 teq CO<sub>2</sub> per employee.

(teq CO <sub>2</sub> / employee)	2014/15	2013/14	2012/13
Greenhouse gas emissions	0.9	0.9	1.2

The Company's greenhouse gas emissions break down as follows:

##### Greenhouse gas emissions (teq CO<sub>2</sub>) of defined scope



(1) For more information on water stress areas visit: <http://www.un.org/french/waterforlifedecade/scarcity.html>

(2) The methodology used is in line with requirements specified in Article 75 of the Grenelle 2 Law. The emission sources taken into account are those required by Article 75 (scope 1 and 2), as well as paper purchases and travel, which have been identified as major emission sources with regard Solucom's activity.

(3) Data related to rail travel, air travel, and short-term car rental are provided by the travel agency, Egencia. Distances have been calculated for each trip, which gives a result that is close to reality. Data for travel by public transport, taxis and private cars have been collected from the accounting department. The amounts collected in euros have been converted into the number of kilometres travelled.

##### Focus on travel

Employee is the main source of Solucom's greenhouse gas emissions (70%). To gain a better understanding of these emissions, Solucom analysed the volume and different means of transport used on business trips and in staff commuting.

##### Business trips

Business trips accounts for approximately 6.9 million km travelled per year, all transport methods combined, or approximately **4,750 km travelled per year per employee<sup>(3)</sup>**. This stems from the high rate of mobility of Solucom employees, which is a characteristic feature of the consulting sector.

(km/year/employee)	2014/15	2013/14	2012/13
Business trips	4,752	4,659	5,712

*NB: This slight increase in the number of business trips between 2013/14 and 2014/15 was due partly to the change in the methodology used to collect car-rental travel data. Until last year, this data had been extrapolated from the accounting report of the Egencia travel agency. To enhance reporting reliability, the number of real kilometres collected from Hertz (Solucom's main car-rental supplier) is now included in the number of car-rental business trip estimates.*

##### Breakdown of business trips by type of transport in 2014/15

(km/yr)	2014/15	2013/14	2012/13
Air	18%	22%	22%
Rail	51%	53%	54%
Public transport	17%	19%	14%
Cars	14%	6%	10%
o/w private cars	11%	4%	8%
o/w rented cars	1%	0.3%	0.2%
o/w taxis	2%	1.7%	1.8%

Note that in 2014/15, there was a sharp increase in the number of private cars used for business trips (up 7 points on 2013/14). This increase was due to the development of Solucom's activity (geographic location of missions carried out by consultants, lack of satisfactory alternative solutions to replace the private car solution).

To reduce the environmental impact of business trips, Solucom has set up two types of working solutions:

- 1. Limit business trips by opting for audio and video-conferencing systems:** Solucom's meeting rooms are equipped with remote conferencing systems. This means of communication is promoted mainly for internal discussions, between the firm's various sites.
- 2. Choose less-polluting modes of transport:** Solucom employees are encouraged to use public transport for business trips in accordance with its present travel policy. Some examples of the measures put in place include:
  - air travel which is authorised only if the train would take more than three hours;
  - Solucom pays 50% of the costs for public bike-rental schemes (Vélib, Vélov, Bicloo, etc);
  - car rental is authorised only when there is no access to public transport.

## Commuting

Commuting to and from work<sup>(1)</sup> totals approximately 8 million km per year, all modes of transport combined, or approximately **25 km per employee per day worked**. This ratio is very similar from one year to the next.

Solucom employees are encouraged to use public transport for commuting. This can be broken down as follows:

### Breakdown of commuting by means of transport

(% km <sup>2</sup> )	2014/15	2013/14	2012/13
Public transport	86%	85%	81%
Private vehicle (cars & motorcycles)	14%	15%	19%

### 2.2.5. Protection of biodiversity

None of Solucom's sites are situated in protected or high biodiversity areas. The Company's activities have no direct or significant impact on biodiversity. Solucom has a limited indirect impact through the amount of paper consumed in its activities. To minimise this impact, the firm mainly uses paper that is made from pulp from sustainably managed forests (certified FSC or PEFC) or 100% recycled paper. Since 2012, this requirement has been incorporated into printing-services specifications, as well as printing paper purchases.

## Summary of Solucom's environmental performance indicators over the past 3 years

Theme-based indicators	2014/15	2013/14	2012/13	Unit	% change over 3 years
Office waste	27.8	29.50	31.00	kg/staff	-10%
Final energy consumption	300.04	322.78	332.05	kWh/m <sup>2</sup>	-10%
Water consumption	7.09	9.40	9.52	m <sup>3</sup> /staff	-25%
Paper consumption	9.6	10.13	12.67	kg/staff	-24%
Greenhouse gas emissions (for the reporting scope)	0.9	0.9	1.2	teq CO <sub>2</sub> /staff	-25%
Total distance travelled for business trips	4,752	4,659	5,712	km/staff	-16%
Business flights as a percentage of business trips	18%	22%	22%	% of total km travelled	-4 points
Commuting by public transport	86%	85%	81%	% of total km travelled	+5 points

(1) To calculate the distance travelled by employees using their own vehicle, the analysis is based on the postal codes declared by the beneficiaries of car or motorbike parking. The distance travelled by employees using public transport is calculated on the basis of the ticket declared (per zone).

## Appendix to environmental reporting

### Concordance table between Solucom data and Article 225 of Grenelle II

The following table shows the concordance between the information presented in this report and implementing decree n° 2012-557 dated 24/04/12 on the obligation concerning corporate, social and environmental transparency. Certain information considered not relevant given Solucom's activities is not applicable to the Company. (See details in column "Actions taken by Solucom".).

Decree 2012-557, Article 1- 2°		Action taken by Solucom
<b>a) General Policy</b>	Organisation of the company to take into account environmental issues and, where necessary, address environmental assessment and certification initiatives.	§ 2.2.1 1)
	Employee training and information actions on environmental protection.	§ 2.2.1 2)
	Means employed to prevent environmental risks and pollution.	Since Solucom's activities are not of a material nature they do not carry high environmental risk or cause major pollution (releases into air, water, soil, noise nuisance, soil use, etc.)
	Provisions and guarantees for environmental risks, subject to this information not being seriously prejudicial to the Company in an ongoing litigation.	Solucom did not write any provisions or guarantees for environmental risk
<b>b) Pollution &amp; waste management</b>	Measures taken to prevent, reduce or remedy releases into the air, water and soil that seriously affect the environment.	Solucom's activities are not of a material nature and do not carry high environmental risk or cause major pollution (releases into air, water, soil, noise nuisance, soil use, etc.)
	Measures carried out to prevent, recycle and eliminate waste.	§ 2.2.2
	Management of noise and other forms of pollution specific to an activity.	Solucom's activities are not of a material nature and do not create major noise nuisance.
<b>c) Sustainable use of resources</b>	Water consumption and supply in accordance with local restrictions.	§ 2.2.3 3)
	Consumption of raw materials and measures taken to improve their efficient use.	§ 2.2.3 1)
	Energy consumption, measures taken to improve energy efficiency, and recourse to renewable energy.	§ 2.2.3 2)
	Land use	Solucom's activities are not of a material nature and do not carry high environmental risk or cause major soil pollution. Also, Solucom's premises are located in already urbanised areas.
<b>d) Climate change</b>	Greenhouse gas emissions	§ 2.2.4
	Adaptation to the consequences of climate change.	Solucom's activities are not of a material nature and are not directly impacted by the consequences of climate change.
<b>e) Protection of biodiversity</b>	Measures taken to protect or develop biodiversity.	§ 2.2.5

## 2.3. Information on societal commitments

In terms of societal responsibility, Solucom's approach is to promote equality of opportunity and non-discrimination. This commitment mainly applies to three areas of action areas: education, access to higher education, occupational integration and employment.

To achieve this goal, Solucom's societal responsibility strategy is based on the following initiatives: lending support to humanitarian and citizenship projects (Solucom Corporate Foundation, Villebon Institute); raising staff awareness to the challenges of sustainable development and their involvement in the firm's skills-sponsorship actions; the gradual integration of social and environmental criteria into all of Solucom's activities.

### 2.3.1. Regional, economic and social impact of the Company's activities

Because the regional and economic of Solucom's activity is relatively limited, the Company has opted to focus primarily on initiatives linked to its social and civic footprint. These initiatives are structured around the following challenges and action areas: employment and occupational integration, access to higher education, the promotion of diversity and equality of opportunity.

*For more details, see sections 2.3.2 and 3 (Economic responsibility).*

### 2.3.2. Relations between persons or organisations having an interest in the Company's activities

#### 1) Actions taken with respect to employment and occupational integration

As a responsible employer, Solucom pays particular attention to its social footprint.

For the record, at 31/03/15, Solucom's workforce excluding the number of additional staff members stemming from new acquisitions, totalled 1,461 employees, most of whom young managers (61% of employees under 30 years of age), working at Group sites in France (99%).

As a growth company, every year since its founding Solucom has proved to be a net creator of jobs on a yearly basis, and strived to provide job security for all of its employees. More than 300 employees were recruited in 2011/15, 95% of whom on a permanent contract basis. In addition, every year the firm takes on over one hundred trainees (short courses, sabbaticals, end-of-study, apprenticeships, work/study programmes) on a pre-employment basis.

In 2014/15, more than 7,000 candidates entered a recruitment process with Solucom and were accepted for a first interview. These candidates come from various sourcing channels in place (relations with schools, cooptation campaigns, events, and spontaneous application).

#### Solucom Candidate Recruitment Charter

In 2012/13, Solucom drew up a Recruitment Charter, rolled out internally to all persons involved in recruitment, and published externally. This charter is in line with the firm's continuous improvement approach concerning the Company's recruitment processes and promotes the principles of transparency and respect which are central to Solucom's Human Resources strategy. This charter, which can be consulted in full on the Company website, is based on nine key commitments with regard to recruitment (transparency, equal opportunity, personalised candidate monitoring, professionalism of recruitment methods and confidentiality of information, etc.).

#### 2) Partnership and skills-sponsorship actions to promote equal opportunity

#### Solucom Corporate Foundation

The Solucom Corporate Foundation was created in 2009 for the purposes of carrying out humanitarian actions in France and abroad, by lending support to, or developing, actions aimed at combating child poverty and extreme deprivation.

The Foundation has chosen to focus its interventions on projects based on a sustainable development approach.

Since its creation, the Foundation has supported some 60 projects with a high socio-educational content, mainly in Africa and Asia. Each project monitored by Solucom is sponsored by an employee of the Company.

In 2014/15, out of the project proposals received in a call put out by the Foundation in 2014/15, twelve were retained by the Foundation's Board of Directors.

For the record, the Solucom Foundation was extended for a period of five years on 17/01/14.

The Foundation Charter together with all previous-year activity reports are available on the Foundation's website: [www.fondation-solucom.fr](http://www.fondation-solucom.fr)

#### Villebon - Georges Charpak Institute

Since 2012, Solucom has sponsored the Villebon – Georges Charpak training institute, a project with a social mission run



jointly by the ParisTech Foundation (the collective higher education body for prestigious schools and universities), and the socio-economic community.

The objective of the Villebon Institute's educational innovation pilot scheme is to offer universal access to the top levels of higher education, while guaranteeing the social, cultural and intellectual diversity of students. Awarded the Excellence in Innovative Education (IDEFI) label in 2012, the pedagogical approach deployed by the Institute is notably based on experimental, interdisciplinary and collective projects.

Launched in September 2013, the Institute currently has two classes of forty students each; students with potential, but also learning problems, who come mainly from low-income homes (70% of scholarship students) or have a disability.

Within the context of this partnership, Solucom encourages its consultants to volunteer and invest themselves in the different areas of the project; professional insertion to help organise career-coaching workshops; training via trade conferences or company visits; student selection and sponsoring. Around twenty students from the Villebon Institute are currently being sponsored by a group of Solucom employees, who provide support and counselling in compiling their professional projects. For more information, visit : [www.villebon-charpak.fr](http://www.villebon-charpak.fr)

### 3) Relationships with higher education institutions

As part of its Human Resources strategy, Solucom has adopted a school policy based on close relationships with higher education establishments. For the record, the Company's recruitment objective is that young graduates represent 70% of new recruits. The Company has thus forged long-term relationships with over 30 French schools and universities, in the Paris region and in the provinces.

The objective of this proactive partnership policy is to lend support to students in their personal and professional development. Personal, via the transmission of knowledge and savoir-faire inherent in consulting jobs (project management, client relationship management); and professional, by providing a variety of career coaching programmes, as well as the constant integration of trainees into the Company's teams (more than a hundred trainees taken on every year). Some examples of on-campus actions carried out by the Company include voluntary coaching and sponsoring ("Junior Enterprises", student unions and association forums), CV/cover letter workshops, mock interviews, experience feedback and informal discussions with members of the Company's alumni.

At the pedagogical level, the firm also maintains strong relations with the careers services and faculty bodies of its target schools. In this respect, Solucom actively participates, at multiple levels, in major events in the life of these establishments by participating on selection panels and in promotional event sponsoring, as well as chairing conferences and round-tables and taking part in course modules.

To support the development of the firm's partner schools and universities and to strengthen the measures in place, since 2012/13 Solucom has carried out reviews on how to step up the integration of work/study programmes and apprenticeships among its employees, across all spheres of professional activity.

#### 2.3.3. Subcontractors and suppliers

##### Social and environmental issues taken into account in the firm's procurement policy

The implementation of a structured responsible procurement policy will be an area of focus for the firm over the next few years.

At present, sustainable development criteria – environmental, social and/or societal – are incorporated into certain specific procurement processes, but not deployed and formalised on a Group-wide scale for all processes. For example:

- Printing services and paper purchases (100% recycled or eco-labelled) (*section 2.2.5*)
- Computer equipment: all of the Company's laptops are labelled EPEAT17<sup>(1)</sup> (level gold or silver). This label guarantees, among other things, the limited use of dangerous substances, recyclability and sustainability, low power consumption, and low environmental impact packaging (*section 2.2.3*).
- Recourse to the protected sector and adapted for certain services, notably related to internal and external event organisation (catering, printing) (*section 2.1.7*). In addition, since August 2014, Solucom has been outsourcing the recycling of its end-of-service IT equipment to a services company in the protected sector an approach it intends to use systematically every year.

In addition, as a signatory of the United Nations Global Compact since 2012 (*section 2.3.4*), Solucom is committed to meeting *international* ethics standards and, as part of its continuous improvement initiative, to pursuing efforts promoting social progress and economic development.

Furthermore, the bulk of Solucom's partners and suppliers are located in France and, as such, subject to French laws and obligations regarding human rights and labour laws, etc.

(1) Electronic Product Environmental Assessment Tool label.

### Outsourcing and subcontractors

As part of its consulting services to large companies, Solucom may occasionally be called on to subcontract part of its services to other specialist firms, particularly when a specific skill out with its own field of expertise, is necessary to complete the project.

However, Solucom does not use staff made available under a subcontracting agreement.

#### 2.3.4. Fair practices

##### Actions carried out to prevent corruption

Solucom is committed, and ensures that its employees are likewise committed, to the prevention of direct or indirect corruption, as well as to the rules governing competition and the confidentiality of information to which employees have access as part of their missions and activities in the firm.

To this end, and in accordance with its basic principles, Solucom has been a signatory of the United Nations Global Compact since the end of 2012, an engagement which officially binds the Company to honour its long-term commitment to pursue all actions in a responsible and transparent manner. Accordingly, Solucom supports and undertakes to promote the 10 principles of the Compact (human rights, labour rights, environmental protection, anti-corruption measures) in its sphere of influence (clients, employees, shareholders, clients and suppliers, civil society).

In 2014/15, the Company published its second "Communication on Progress" report for its stakeholders detailing the initiatives it has launched and the work it is doing related to the principles of the Compact.

##### Measures taken to promote consumer health and safety

Since Solucom provides corporate services, it is not concerned by consumer health and safety issues.

### 3. Other information related to Solucom's corporate responsibility: economic responsibility

Solucom aims to conduct itself as a responsible player in its environment. As such, the firm guarantees all of its financial, economic, civic and social stakeholders its adherence to the principles of good governance, transparency and ethics.

### Governance

Solucom has adopted a two-tier management structure comprising a Management Board and a Supervisory Board to ensure a clear separation between the Management and Control functions of the Company.

Solucom complies unreservedly with the Corporate Governance Code published by MiddleNext.

The Supervisory Board is composed of four members, of which three are independent. As Solucom is an equity-controlled company, this composition of the Supervisory Board enables it to make sure that the interests of minority shareholders are respected.

*For more details, see the "Report of the Chairman of the Supervisory Board on the manner in which the work of the Board was prepared and organised, and on internal-control and risk-management procedures" in Chapter 4 of the Company's Registration document.*

### Transparency

In addition to ensuring its compliance with regulatory obligations regarding financial communication, Solucom strives to achieve a greater degree of transparency and ensure a frequent and regular communication flow, regardless of the economic context or the Company's performance.

This approach is underpinned by Solucom's decision to maintain its quarterly financial information reporting despite the suppression of this obligation on 31/12/14 with the publication of measures to transpose the revised transparency directive (2013/50/UE) included in the DDADUE Law bringing a number of provisions into line with European Union economic and financial law. Pursuant to AMF recommendations (DOC201503), Solucom has chosen to adopt a clear and steady approach over the long term.

Moreover, the Company makes every effort to ensure and maintain solid communications with analysts, institutional investors and individual shareholders by systematically organising six investors meetings every year. In addition, Solucom has created a club for its shareholders for the purposes of strengthening relations with individual investors and regularly participates in trade fairs.

### Business ethics

Ethics are of the utmost importance to the Group which is committed to respecting the strictest ethical standards and to conducting its activities with the greatest integrity.

As such, in 2014/15 Solucom launched a business ethics project for the purposes of formalising the Company's ethical

principles used to carry out its consulting activities. As a result of the risk identification and analysis work carried out on a variety of underlying subjects (corruption, anti-competitive practices, data security, etc.), the Company drew up and deployed the Solucom chart with a view to raising the awareness to ethical issues of all of its staff members. A monitoring body will be responsible to ensure that these commitments are respected at the Group level, to advise employees and to integrate the programme in the Group's continuous improvement strategy.

The purpose of this charter is to serve as a professional conduct guide for all staff members whatever their function and level of responsibility.

*More details about the measures implemented by Solucom to ensure the quality of services and the Group's ethics are given in the section - "Quality " of Chapter 1 of the present Registration Document.*

## 4. Methodological note regarding Solucom's 2013/14 non-financial reporting

### 4.1. Scope of consolidation

- Unless stated otherwise, the social and societal information by default covers Solucom's entire consolidation scope, excluding new acquisitions finalised during the fiscal year since they have not been integrated into the Group's non-financial reporting scope. As such, Lumens Consultants and Trend Consultants, acquired on 29/10/14 and 12/02/15, respectively have not been included in the Group's social and societal reporting scope for 2014/15. The companies, Lumens Consultants and Trend Consultants, acquired last year, have been integrated into the 2014/15 scope of consolidation.
- A different methodology, detailed in the environmental report (*section 2.2*), is used for environmental data. The environmental reporting scope covers all entities within the Group's scope of consolidation in France but excludes the new acquisitions finalised during the fiscal year, as well as the Moroccan subsidiary SLM Consulting. In addition, certain data is only collected at head-office level. Nevertheless, as this site represents over 90% of the Group's workforce, it can be extrapolated to provide a reasonable estimate of the values of environmental indicators for the entire corporate scope.
- All economic data is qualitative.

### 4.2. Reporting period

The majority of the data provided in this report covers the fiscal year 2014/15 ended 31/03/15. In exceptional cases which are explicitly mentioned, the information covers the 2014 calendar year.

### 4.3. Sources and methods of collecting non-financial data

Solucom's non-financial data is collected and consolidated at the Company's head office. Data collection and consolidation is the responsibility of the Heads of Communication and HR Development, under the supervision of the Chief Financial Officer.

#### Data collection and consolidation

##### • Social data

Given Solucom's consulting activity, the social aspect of sustainable development is a major issue and priority for the Company.

The HR Development Department is responsible for defining and implementing Solucom's human resources strategy. It draws partly on the support of decentralised human resource teams within the Company's practices, and partly on the recruitment unit in charge of all recruitment actions.

Social reporting and the management of the associated indicators are under the responsibility of a single dedicated contact within Solucom's HR Development Department, in charge of consolidating the data at Group level.

##### • Environmental data

At the environmental level, Solucom has been working with the firm Icare Environment since 2013. Solucom's first carbon audit was carried out in fiscal year 2012/13, using the Bilan carbone® method developed by the French Environment and Energy Management Agency ADEME. An environmental reporting procedure, in accordance with Articles 75 and 225 of Grenelle II, was also set up in 2012/13.

The processing and analysis of environmental data is supervised by Icare. Data collection is monitored by a contact within Solucom, in charge of gathering and consolidating all information from contributors identified in the departments concerned (IT, Pay, etc.).

##### • Societal data

Societal reporting is mainly qualitative. This is overseen by the Head of Communications, working in tandem with the specific contributors in the various departments.

### Exclusions

In this report, Solucom publishes qualitative and quantitative data on all the social, environmental and societal themes required by the implementing decree of Article 225 of the Grenelle II Law.

Note however, that in accordance with the “comply or explain» rule provided by law, information considered not relevant and therefore not applicable to the Company given its exclusively intellectual activity, is not included in this report. These exclusions mainly concern environmental information (see appendix “Concordance Table: pursuant to decree 2012-557 of 24/04/12 Grenelle II”), and societal information, on topics relating to consumer health and safety and actions to promote human rights.

### 4.4. Control methods

#### Internal controls

An initial data check is carried out by the persons responsible for Its collection.

Once data consolidation has been completed, data consistency checks are performed by the departments concerned. These checks include comparative analysis with data of previous years, and differences considered to be significant are systematically analysed.

#### External controls

Under the new regulatory provisions of the Grenelle II Law as well as its implementing decree, and the order of 13/05/13, Solucom commissioned the firm FinexFi, a designated independent third-party, to audit its social, environmental and societal information for fiscal year 2014/15. The subsequent audit report is presented below.

## Independent third-party report on consolidated social, environmental and societal information

To the Shareholders,

At the request of your company, Solucom, and in our capacity as an independent third-party organisation accredited by the French National Accreditation Body, COFRAC under number 3-1081 (scope of accreditation available at [www.cofrac.fr](http://www.cofrac.fr)), we hereby present our report on the consolidated social, environmental and societal information provided in the Management Report prepared for the year ended 31/03/15, pursuant to Article L.225-102-1 of the French Commercial Code.

### Responsibility of the Company

The Management Board is responsible for preparing a Management Report that includes the consolidated social, environmental and societal information as required under Article R.225-105-1 of the French Commercial Code (hereafter referred to as the "Information"), to be drawn up by the Company in accordance with the reporting criteria used (hereafter referred to as the "Reporting Framework"). This is available on request at Company headquarters and is summarised in the Methodological Note available on the Company's website.

### Independence and quality control

Our independence is defined by regulatory texts, the profession's Code of Ethics and the provisions set forth in Article L.82211 of the French Commercial Code. In addition, we have set up a quality control system comprising documented policies and procedures designed to ensure compliance with deontological rules, professional standards and applicable legal texts and regulations.

### Independent third-party responsibility

Based on our work, it is our role to:

- attest to the fact that the required Information is disclosed in the Management Report and that an explanation has been provided if any information has been omitted, in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of completeness);
- provide limited assurance that the Information is fairly presented, in all material respects, in accordance with the Reporting Criteria adopted (Limited Assurance Report);

### Certificate of attendance

We have conducted this work in accordance with the professional standards applicable in France:

- We compared the information presented in the Management Report with the list provided in Article R.225-105-1 of the French Commercial Code ;
- We verified that the information covers the consolidated scope, which includes the Solucom company and its subsidiaries, as defined under Article L. 233-1 of the French Commercial Code, and the companies that it controls, as defined under Article L. 233-3 of the French Commercial Code.
- In the case of any omission of certain consolidated information, we have verified that an explanation was provided in accordance with the provisions of Decree n° 2012-557 dated 24/04/12.

On the basis of our work we attest that the required Information has been disclosed in the Management Report.

### Reasoned opinion on the fairness of CSR information

#### Nature and scope of procedures

We carried out our work over a period of around six days between 11/05/15 and 22/05/12.

All of our work was carried out in accordance with the standards applicable in France, the ISAE 3000 standard and the Order dated 13/05/13 determining the methods independent organisations conduct their missions.

We conducted five interviews with the persons responsible for the preparation of the CSR Information obtained from the departments in charge of the process of gathering information and, where applicable, for internal-control and risk-management procedures. Within this context our mission was to:

- Assess the appropriateness of the Reporting Framework as regards its relevance, completeness, neutrality, clarity and reliability, by taking into consideration, where applicable, the sector's best practices.
- Verify the implementation in the Group of a process designed to collect, compile, process and check the CSR Information that reflects its completeness and consistency. We acquired an understanding of the internal-control and risk-management procedures used to compile the CSR Information.

We identified the consolidated information to be tested and determined the nature and extent of these tests taking into consideration their importance with regard to the social, societal and environmental consequences of the Group's activities, its strategic sustainable-development priorities, and the best practices specific to the industry.

Concerning the CSR information that we considered to be most important at the level of the consolidated entity, we:

- consulted source documents and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.);
- implemented analytical procedures of the quantitative Information and verified, on the basis of surveys carried out, data calculation and consolidation;
- implemented detailed tests using sampling techniques, to verify data calculation, reconciled data with supporting documentation, and verified their consistency with other information in the Management Report.

Regarding other consolidated CSR Information, we assessed their degree of fairness and consistency based on our knowledge of the Group.

Furthermore, in the event of a total or partial omission of certain information, we assessed the relevance of the explanations provided.

We conclude that the sampling methods and sample sizes we retained by exercising our professional judgement offer a limited level of assurance. A higher level of assurance would have required more extensive work.

Our work covered more than 70% of the consolidated value of the revenue indicators in both the social and the environmental reporting scopes.

Because of the use of sampling techniques, and other limitations inherent to all information and internal-control systems, the risk of failing to detect the presence of a material misstatement in the presentation of CSR Information cannot be completely ruled out.

#### Comments on CSR information

The bulk of qualitative social data was gathered from the Group's consolidated data base which is subject to intensive internal controls.

The quantitative environmental data is communicated over a perimeter representing 99.5% of Group employees.

#### Conclusion

Based on our work, we did not identify any material misstatements causing us to believe that the CSR Information, taken as a whole, has not been fairly presented, in all material respects, in accordance with the Reporting Framework.

Lyon, 21 May 2015

FINEXFI  
Isabelle Lhoste  
Partner

# Management Board Report

## Risk factors

Solucom has carried out a review of its risks and considers that it has no significant risks other than those presented below.

### 1. Market risk

#### 1.1. Liquidity risk

The Company has conducted a specific review of its liquidity risk, and believes that it will be able to meet its future contractual maturities.

At 31/03/15, the Group had gross cash, net of overdrafts of €26.2m. Solucom's policy is to invest its surplus cash exclusively in risk-free money-market instruments which are booked as cash equivalents in the Company's consolidated financial statements. Solucom does not make recourse to factoring or discounting.

In October 2012, the firm took out a line of credit, with no covenants attached, in the amount of €16m redeemable over five years. At 31/03/15, the Company had access to available credit, net of annual amortisation, of €9.6m.

The Company also issued a bond in October 2012 via the Micado France 2018 mutual fund, in the amount of €3m which is redeemable in full on maturity.

At 31/03/15, Solucom's financial liabilities comprised :

- €3.0m in bank loans and other financial debt excluding overdrafts, corresponding to the Micado bond, net of issuance costs, booked as a deduction from the value of the loan in the consolidated statements;
- €0.6m attached to leasing contracts.

At 31/03/15, the Company had net cash and equivalents<sup>(1)</sup> the amount of €22.6m.

With gross cash flow of €14.5m at 31/03/15, Solucom has ample means to cover its annual financing needs excluding acquisitions (in particular, changes in working capital requirements and short-term capital expenditure) as well as its bank loan and bond repayment commitments.

In addition, with available cash and credit facilities totalling €45.3m at 31/03/15, the firm has significant financial scope for manoeuvre.

Available cash mobilised at 31/03/15 breaks down as follows:

- €26.2m in cash (cash and cash equivalents in the form of marketable securities, net of overdrafts);
- €9.6m in open lines of credit (none of which drawn down to date);
- €9.5m in overdraft facilities.

#### Breakdown of the Company's financial debt

Number	Characteristics of contracted borrowings	Rate	Amount at 31/03/15	Maturity	Hedges
1	€3.0m bond over six years, redeemable at maturity, with interest paid on a 6-month basis.	Fixed (5.50%)	€3m	02/10/18	n/a

#### Breakdown of available credit (unused credit lines)

Number	Characteristics of contracted borrowings	Rate	Amount at 31/03/15	Maturity	Hedges
1	€16m credit line credit contracted over 5 years with annual amortisation.	Variable (indexed to EURI-BOR benchmark rates)	€9.6m	05/10/17	n/a

(1) Gross cash less financial liabilities.



### Interest rate risk

Interest-rate risk is managed by the Company's Finance Department in conjunction with its main bank counterparts. Company policy is, in principle, to hedge against any increase in future repayment flows by using derivatives underwritten by top-tier banks.

No hedges of this type were in place at 31/03/15. The bond issued by Solucom in October 2012 carries an annual coupon of 5.50% and the new line of credit which bears a variable interest rate indexed to Euribor benchmark rates had not been drawn down at 31/03/15.

Should it draw on this line of credit, Solucom would be able to assess the economic relevance of hedging that rate.

The following table lists the maturities of the Group's assets and liabilities:

<b>At 31/03/15</b> (in thousands of euros)	<b>Total</b>	<b>&lt; 1 year</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>
Financial liabilities	3,590	377	3,213	
Financial assets <sup>(1)</sup>	26,162	26,162		
<b>Net position before hedging</b>	<b>(22,572)</b>	<b>(25,785)</b>	<b>3,213</b>	
Hedging				
<b>Net position after hedging</b>	<b>(22,572)</b>	<b>(25,785)</b>	<b>3,213</b>	

(1) cash and cash equivalents

The Company's sensitivity to a 1% change in the short-term interest rate is estimated at €258k either way.

This figure is calculated on the basis of the net position of debt maturing in less than a year, considering that the maturity of all financial assets and liabilities constituting this net position is one year.

The Company's debt and cash positions are monitored by the Finance Department and are subject to monthly reporting. For cash management purposes, the Finance Department uses cash management software which is connected directly to the data transmission systems of its partner banks.

### Exchange rate risk

For the most part, Solucom invoices its services to clients located in France or the euro zone. At the Group level, the proportion of revenues generated by its Moroccan subsidiary was not significant at 31/03/15.

As such, exchange rate risk at 31/03/15 is limited.

Furthermore, should an invoice be issued in a foreign currency, Solucom would consider the economic benefit of hedging the exchange rate concerned.

During 2014/15, the firm took out an exchange rate hedge to cover the risk of certain sales transacted in pounds sterling and dollars (see Note 3.15 of the notes to the financial statements).

### Equity risk

The only treasury shares owned by the Company firm's are those purchased within the context of the share buyback programme.

At 31/03/15, Solucom owned 75,336 Solucom shares, representing a market value of €3,157k based on the 31/03/15 closing price of €41.90 per share.

The average cost price of all treasury shares in fiscal year 2014/15 was €31.59.

For the record, in the firm's IFRS financial statements, Solucom treasury shares are carried as a deduction from equity and any fluctuation in their value has no impact on consolidated profit or loss.

In addition, for its cash-equivalent investment policy the Company only uses risk-free money market instruments.

As regards sensitivity, a 10% increase (or decrease) in the Solucom share price would boost (or reduce) shareholders' equity by €315.7k.

## 2. Legal risks

### Third-party liability risk

The firm is exposed to the risk of civil liability for injury to a third party during the course of its professional activities. Nevertheless, given that for the most part, the Company delivers counselling and expertise services, the risk of incurring professional liability is much lower than for a company providing engineering or integration activities.

To ensure a service of quality, the firm has access to a set of methods and tools. In addition, project managers receive specific training enabling them to develop the most advanced skills in their respective fields of intervention. These project managers ensure strict compliance with the specifications approved by the client and the project steering committee in direct liaison with the client's operational contacts.

Nevertheless, the possibility of defects being identified when the Company carries out its missions cannot be ruled out. In addition, Solucom cannot guarantee that all contractual terms agreed with its clients, suppliers and partners will always be followed. The possibility of defects being identified or breaches of contractual terms may entail damages for which Solucom would be held liable.

As such, to protect itself against this risk, the Company has taken out a professional civil liability insurance policy (*section 5 "Insurance and risk cover"*).

### Labour relations risk

Given the nature of its activity, Solucom is exposed to the risk of employees lodging complaints that could lead to human-rights disputes. To protect itself against such risks, the Company is particularly diligent when it comes to defining internal procedures governed by labour legislation by enlisting the services of specialist external consultancy firms, and harmonising its human resources practices across all the Group's companies.

All known disputes are reviewed when the financial statements are prepared and any provisions deemed necessary are written to cover the estimated risks.

The total amount of provision written for disputes is given in Note 16 of the appendix to the financial statements.

### Regulatory risk

As a player in the IT management consulting sector, the firm is subject to multiple, and constantly changing laws and regulations, a factor which exposes it to the risk of breaching the latest regulations.

Solucom has implemented procedures designed to ensure as much as possible that the Company complies with all regulatory and statutory provisions in force and meets all its obligations, particularly with regard to labour legislation.

## 3. Industrial and environmental risks

As Solucom's activities are exclusively intellectual, its total impact on the environment is limited. This is particularly the case for the use made of Solucom's assets as the Company has a low impact on the environment.

For more details about Solucom's environmental responsibility, see the attached "Corporate Social Responsibility Report".

## 4. Operating risks

The risks disclosed below are relevant or significant for Solucom's activity.

### Risk related to the current economic context

The greater frequency in, and possibly increasingly volatility of economic cycles can cast uncertainty on Solucom's activities. This could lead to clients tightening their budgets and/or suspend projects, and in general lead to a contraction in the volume of demand and an increase in competition.

To date, Solucom has always managed to take measures to minimise the impact of such difficulties. In 2012/13, in light of the market conditions, Solucom focused on strengthening its sales resources to mitigate the decline in demand among its clients, and focused its sales efforts on sectors and clients with the strongest potential. In 2013/14, the Group pursued this approach and redefined the internal organisation of its teams to gain commercial agility. In particular, Solucom has implemented a system for the periodic adjustment of its sales mechanism so that it can adapt, on a continuous basis, to changes in client demand and prospects. To date, these measures have been effective: Group revenues rose by 6% like-

for-like, in a failing market, and by 11% in 2014/15 against a backdrop of lacklustre market conditions. Nevertheless, Solucom cannot guarantee that it will be able to successfully manage all of the impacts of the economic crisis in the future.

#### **Credit risk**

Given that the bulk of Solucom's clients are large companies, the risk of client default or bankruptcy is limited.

This risk, however, is greater when dealing with SMEs and clients outside the European Union (which together account for less than 10% of revenues). In such cases, it is up to the management bodies of the entities concerned within the Group, in conjunction with the Finance Department, to do everything they can to obtain reasonable assurance of payment.

Moreover, in 2013/14 the Company continued to strengthen its client monitoring system and process for ensuring the recovery of client receivables. This involved the production of several client monitoring indicators and identifying all at-risk client receivables presented at the monthly steering committee. In addition, overdue trade receivables are reviewed on a quarterly basis by the Finance Department and general management.

At 31/03/15, write-downs of client receivables represented less than 1% of gross client receivables (see Note 14 of the 2014/15 financial statements).

#### **Client dependency risk**

At 31/03/15, the Company's top five and top ten clients accounted for 43% and 61% of its revenue, respectively, which represents a significant concentration of Solucom's revenue with its main clients.

It should be noted that the firm's client portfolio is diversified in sector terms, which minimises the risk associated with Solucom's dependency on its main clients. At 31/03/15, the utilities sector accounted for 41% of Company revenues; the banking and insurance sector for 30%; and services and distribution for 23%.

Despite sector diversity, it is worth noting that the loss of any one of its main clients could entail a significant loss in revenue for the Company.

#### **Seasonality risk**

The seasonal impact on Group revenues is limited to the concentration of holidays taken in certain months of the year, notably July, August and May. The holiday-concentration impact affects the first half of Solucom's fiscal year (April to September).

This phenomenon does not represent a major risk as its effect is relatively predictable (impact similar from year to year).

#### **Fixed-price contract risk**

Fixed-price contracts account for 30% to 40% of Group revenues (40% in 2014/15).

Solucom has set up a rigorous system to monitor projects which are supported by the management processes used within the Group.

Every fixed-price project is split into separate lots with a project manager assigned to each lot. Project managers are responsible for managing the contracted services in their specific lot and monitoring the players involved.

Once a month, the project manager analyses the costs charged by each player and draws up a new forecast for the services still to be delivered. This enables managers to keep an updated schedule of progress as well as a record of the amount of revenues generated over the month and any related budgeted-day overruns.

These analyses are automatically communicated to management at the beginning of every month. In this way, variances can be rapidly identified and corrective actions implemented.

In recent years, average budget overruns have never exceeded 2% of the total number of production-team working days excluding holidays. The average overrun in 2014/15 was actually negative at -1%.

#### **Subcontracting risk**

Solucom makes limited recourse to subcontracting. Most key-client projects are managed directly by the Group, a strategy which enhances its ability to forge client loyalty.

Occasionally, however, client projects may call for specific skills that are out with Solucom's scope of expertise. In cases such as these, the Company is required to call on specialised

services providers which have these complementary skills so that it can fully meet its clients' needs. When Solucom assumes the responsibility of delivering the services rendered by third-party services providers to its end client, a subcontracting agreement is drawn up between the two parties.

#### **Competition risk**

Solucom operates in a highly competitive market with a host of players at the local and international levels. Some of these are strongly positioned alongside the Groups, which makes competition particularly fierce in terms of quality of service and price.

#### **Quality risk**

The Company has implemented several measures and tools designed to ensure the quality of execution of the missions it carries out. In addition, project managers receive special training to develop the most advanced skills in their particular field of intervention. These project managers ensure strict compliance with the specifications approved by the client and the project steering committee, in direct liaison with the client's operational contacts.

The firm has set up a system to monitor quality risk on a monthly basis enabling it to identify and track suspected and actual incidents and carry out specific action plans.

Nevertheless, some services could prove more difficult to perform than initially estimated and/or certain factors might not have been clearly defined in the specifications. Such problems, if they are not identified in time, together with major budget overruns on certain projects and the subsequent damages for which the Company may be held liable, could impair Solucom's reputation.

#### **Information-system related risks**

As a result of Solucom's expansion and development, the information system is becoming an increasingly important asset for the Company. This system is used to manage business and operations, produce financial statements, communicate internally and externally, and to consolidate, organise and manage the knowledge databases used by all the firm's employees.

An IT disaster recovery plan has been put in place to ensure that all of the essential services of the system can be restored promptly regardless of the cause, except in the case of total

system failure. This plan is reviewed annually via a test carried out under system-failure conditions. In addition, to protect against total system failure, all data is backed-up daily, and a complete weekly backup package sent to an off-site location.

In 2012, Solucom installed a new information management system (Activesys) to meet the firm's medium-term development goals (growth, international, etc.). After implementing the first stage of the system in 2013/14, Solucom successfully rolled out the purchasing module in 2014/15.

The Company, however, remains vigilant with regard to the next deployments stages notably concerning the changeover phase to minimise disruption.

#### **Cyber-security risk**

The protection of clients' confidential data and the personal data of employees and candidates is a major concern inherent in the consulting business. Solucom is aware that the strategic positioning of the missions it carries out, together with its growing reputation, increase its exposure to cyber attacks. As such, data disclosure and/or theft caused by human error, pirating and technical failure could have long lasting consequences on the Group's image, client confidence and hence activity.

Aware of the growing threat of cyber attack, Solucom carried out an in-depth review of the risks related to its information security system, to take into account the emerging cyber-security risk and reinforce its efforts to enhance security. To ensure the security of its IT system, Solucom capitalises on the expertise of its risk-management and IT-security practice to counter cyber-security risk and develop related action plans.

The practice's specialised auditors also carry out regular security auditing of the most exposed IT systems in compliance with regulations related to IS (for example, personal data management) as well as contractual obligations with Company clients. The process carried out to ensure the security of the Company's IT projects, maintain a security strategy and implement protection, detection and reaction solutions takes into account the risks and specific business perimeters.

In particular, some of these perimeters are subject to ISO 27001 certification or external certification (PASSI). In this respect, third-party auditors test the implementation of procedures and security measures taken with regard to risks.

In addition, the Company's IT system usage charter raises staff awareness to best security practices which ensure the protection of information gathered during the course of their missions.

#### **Risk related to human resources**

Solucom's development inextricably depends on recruiting and retaining high-potential employees. The Company's recruitment strategy focuses on young graduates from the most prestigious schools and universities.

Recruitment is a major challenge for Solucom, given the structural competition for the recruits the firm seeks to attract.

To ensure the success of this key initiative, Solucom invests heavily in recruitment every year. As a result, it was able to achieve and even exceed its target of 250 recruitments in 2014/15.

In addition to recruitment, staff turnover is another challenge for the Company given that the profiles of its experienced consultants are highly sought-after on the consultancy market. Solucom considers its normal turnover rate to be 12% to 15%.

Managing turnover is the joint responsibility of management and the firm's human resources managers. The Company has implemented numerous initiatives to reduce turnover rates and notably defined a long-term, career development programme for all of its employees which can be adapted to suit each person's potential. A turnover monitoring system has also been set up to identify risks of staff departure so that adequate measures may be taken to reduce this to the minimum.

Solucom also incorporates, as far as possible, non-solicitation clauses in contracts signed with its clients, suppliers and partners and is extremely vigilant to ensure that those clauses are not breached.

Solucom's staff turnover rate rose from 9% in 2013/14 to 10% in 2014/15, which is still significantly below the Company's normal range.

#### **Risks related to acquisitions**

Solucom's external growth strategy calls for the regular integration of newly acquired companies. The new-company integration process may take longer or turn out to be more difficult than anticipated, especially in terms of human resources, sales, information systems, and internal procedures.

For each acquisition, Solucom systematically strives to ensure that the management of the acquired company is part of the joint industrial project. This upstream thinking approach facilitates the integration process and reduces the risk of key people leaving.

In addition, throughout the integration process, Solucom makes sure that:

- its management tools are rapidly deployed to the new entity so that the Company can obtain the most detailed picture of its operations as rapidly as possible;
- revenue synergies are implemented, notably by focusing on deploying the acquired company's savoir-faire to Solucom's existing clients;
- operating processes are standardised to enhance efficiency, and pooling possibilities identified to reduce costs.
- the teams of the acquired companies are integrated into the Group and adopt Solucom's values in their day-to-day activities ;
- directors and key employees of the integrated companies are given executive positions within the Solucom group (ex : executive partner, business line manager, etc.).

The acquisitions of the industrial assets of PEA Consulting, Audisoft Oxéa and Hudson & Yorke have enabled Solucom to improve and upgrade its acquisition integration approach. Focused on human resources and team support, this is conducted in project mode and monitored by a dedicated task force, comprising the directors of the acquired company and members of the Solucom Executive Committee representing the different operational and support functions concerned. The implementation of these new measures is designed to step up the integration of the companies acquired (synergy generation, adaptation of the organisational model used by the Group).

French acquisitions are integrated into the Solucom group's organisational model within roughly one year.

The Company monitors the integration process very closely to ensure it is carried out smoothly. Nevertheless, given the risks inherent in any external growth operation, Solucom cannot guarantee that its integration model will systematically meet with success.

**Goodwill depreciation risk**

At 31/03/15, goodwill impairment tests were carried out on Lumens, Trend and Solucom SA.

These impairment tests confirmed the value of goodwill on the basis of generally accepted assumptions.

Sensitivity tests were also carried out, the results of which are disclosed in Note 10 of the notes to the financial statements.

These tests did not lead to any write-down of goodwill in the financial statements at 31/03/15.

Furthermore, given that Audisoft Oxéa and Hudson & Yorke were both recent acquisitions (5 months and 1 month, respectively at 31/03/15), no goodwill impairment tests were performed on these companies.

Solucom cannot, however, rule out the possibility that future business or operational difficulties would lead to the impairment of goodwill in the Company's balance sheet.

**Dependency on third-party software or software licenses**

Dependency on third-party patents or licenses is limited.

**5. Insurance and cover of risks****General insurance policy**

The Group's general insurance policy is linked to the strong initiative to prevent and protect against risks that could impact its activities.

Solucom's services are purely intellectual comprising the provision of consulting, counselling and technical expertise services for major clients. Accordingly, all of the Group's subsidiaries are insured with top-tier insurance companies with a level of coverage appropriate for their field of activity:

- operating loss and property damage;
- damage caused to clients or third parties during the course of carrying out contracted services;
- damages associated with job-related risks, in particular accidents occurring during consultant business trips.

**Premiums and cover**

Solucom has insurance policies to cover:

- premises and equipment insurance;
- employee transport and repatriation insurance;
- civil and professional operating liability;
- third-party liability cover for executives and corporate officers.

There are no significant insured or uninsured internal risks.

The annual coverage ceilings are as follows:

Type of cover	Guaranteed amount
Operational third party liability	
• personal injury	€10.0 million per claim
• property damage / intangible consequential loss	€10.0 million per claim
Third party liability	
• property damage / intangible and consequential loss	€10.0 million per year
Third-party liability cover for executives and corporate officers	€15.0 million per year
Comprehensive premises and equipment insurance	
• Office equipment	€4.6 million per year
• IT equipment	€1.3 million per year

The premiums per risk category paid by the Group in 2014/15 are as follows:

Type of cover	Premiums (in thousands of euros)
Third party liability	170
Third party liability of corporate officers	17
Comprehensive premises and equipment insurance	59
Transport insurance	50
Repatriation insurance	7
Key-person insurance	2
Death insurance	4



### Company results and other items in the last five years

(in thousands of euros)	31/03/11	31/03/12	31/03/13	31/03/14	31/03/15
<b>Capital at end of period</b>					
Share capital	497	497	497	497	497
Number of ordinary shares	4,966,882	4,966,882	4,966,882	4,966,882	4,966,882
<b>Operations and profit/loss</b>					
Revenue (excl. tax)	63,880	66,045	115,552	130,227	152,910
Profit/loss before tax, profit-sharing, depreciation, amortisation and provisions	12,794	11,051	13,149	17,108	19,196
Income tax	2,581	417	362	3,740	3,954
Employee profit-sharing	589	591	1,596	1,830	1,993
Profit/loss after tax, profit-sharing, depreciation, amortisation and provisions	9,051	8,906	10,708	10,841	12,069
Distributed earnings	1,026	1,066	1,571	1,620	1,908
<b>Earnings per share</b>					
Profit/loss after tax and profit-sharing, before depreciation, amortisation and provisions	1.94	2.02	2.25	2.32	2.67
Profit/loss after tax, profit-sharing, depreciation, amortisation and provisions	1.82	1.79	2.16	2.18	2.43
Distributed earnings	0.21	0.22	0.32	0.33	0.39
<b>Personnel</b>					
Average headcount	302	407	953	1,093	1,266
Total payroll	14,829	21,293	52,289	58,641	70,422
Amount paid in social welfare contributions	7,310	10,495	25,898	28,481	34,159

**Authorisations to increase Company share capital granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13**

Resolution n°	Object	Duration	Maximum par value	Utilisation
9	<p>Issue of ordinary shares and financial securities giving access to the Company's share capital with shareholders' pre-emptive subscription rights (PSR) maintained.</p> <p>Articles L.225-129 to L.225-129-6, L.225-134, L.228-91 and L.228-92 of the French Commercial Code.</p>	26 months	<p>Marketable securities : €248, 344.10</p> <p>Debt securities: €30,000,000</p>	None
10	<p>Issue of ordinary shares and marketable securities giving access to the Company's share capital, without PSR maintained, by way of a public offering (priority rights for existing shareholders for the first five days).</p> <p>Articles L.225-129 to L.225-129-6, L.225-134, L.225-135, L.225-136, L.225-148, L.228-91 et L.228-92 and seq. of the French Commercial Code.</p>	26 months	<p>Marketable securities offered to public: €99,337.64</p> <p>Debt securities: €12,000,000</p>	None
11	<p>In the event of a capital increase authorised under resolutions 9 and 10 (with or without PSR) being oversubscribed, the power to increase the number of ordinary shares and/or marketable securities to be issued in accordance with the provisions of Article L.225-135-1 of the French Commercial Code , at the same price as the initial issue and within thirty days of the end of the subscription period.</p> <p>Articles L.225-129 to L.225-129-6, L.225-135, L.225-135-1 and seq., L.228-91 and L.228-92 of the French Commercial Code.</p>	26 months	15% of the initial issue subject to the ceiling specified in the resolution in question and, within the limits of the ceilings fixed in Resolution 13.	None

Resolution n°	Object	Duration	Maximum par value	Utilisation
12	<p>Issue of ordinary shares and marketable securities giving access to share capital, without PSR maintained, for the purposes of remunerating contributions-in-kind granted to the Company and comprising shares or marketable securities giving access to third-party share capital when the specifications under Article L.225-148 of the French Commercial Code do not apply (situations other than IPO).</p> <p>Articles L.225-129 to L.225-129-6 and L.225-147 of the French Commercial Code.</p>	26 months	10% of the share capital within the specific ceiling fixed under resolution 10 and the global ceiling fixed in resolution 13.	None
13	<p>Global ceiling for ordinary shares and marketable securities issued under resolutions n° 9 to 12.</p>	26 months	<p>Marketable securities : €248,344.10</p> <p>Debt securities: €30,000,000</p>	None
14	<p>Incorporation of reserves, profits, issue premiums and contributions by the creation of ordinary shares via the free allocation of shares or raising the nominal value of shares or a combination of both.</p> <p>Articles L.225-129 to L.225-129-6 and L.225-130 of the French Commercial Code</p>	26 months	<p>€400,000</p> <p>Note that this ceiling is independent, autonomous and distinct from those fixed in resolution 13.</p>	None
15	<p>Issue ordinary shares and marketable securities giving access to the Company's share capital, without PSR maintained, reserved for staff members who are subscribers to an employee savings scheme.</p> <p>Articles L.3332-18 and seq. of the French Commercial Code and Articles L.225-129-2 to L.225-129-6 and L.225-138-1 of the French Code.</p>	26 months	<p>5% of the share capital on the day that the authorisation is used, it being understood that this amount is independent, autonomous and distinct from those fixed in Resolutions 9 to 13 but combine with those fixed in Resolutions 16 and 17, within the global ceiling for these three resolutions as specified in Resolution 18.</p>	None

Resolution n°	Object	Duration	Maximum par value	Utilisation
16	<p>Free allocation of existing or to-be-issued shares reserved for employees and/or certain categories of employees, corporate offices of the Company and/or its subsidiaries.</p> <p>Articles L.225-197-1 to L.225-197-6 of the French Commercial Code</p>	38 months	<p>a) 1% of the Company's share capital on the date of the Management Board's decision for the Company's corporate officers</p> <p>b) 6% of the Company's share capital on the date of the Management Board's decision for employees or corporate officers of the Company or companies in the Group, or some of them, other than those mentioned in a).</p> <p>The amounts in a) and b) above are independent, autonomous and distinct from those fixed in Resolutions 9 to 13 but combine with those fixed in resolutions 15 and 17, within the global ceiling for these three resolutions, as specified in Resolution 18.</p>	<p>Partial use of 0.47% of the share capital for the free allocation of shares on 01/07/14 reserved for employee and corporate officer profit-sharing plans.</p> <p>The summary of delegations previously used is given in the summary table in the present report.</p>
17	<p>Issue of marketable securities, without PSR maintained and giving access to capital, reserved for employees and corporate officers of the Company and its subsidiaries.</p> <p>Articles L.228-91 and seq. L.225-129 and seq. and L.225-138 of the French Commercial Code.</p>	18 months	<p>6% of share capital on the day that the Management Board decides to use the authorisation, it being understood that the amount is independent, autonomous and distinct from those fixed in Resolutions 9 to 13 but combines with those fixed in Resolutions 16 and 17, within the global ceiling for these three resolutions as specified in Resolution 18.</p>	None
18	<p>Global ceiling applied to authorisations used by the Management Board under resolutions 15 to 17.</p>	-	8% of share capital.	None

For a description of recent trends and the outlook for the Company, please refer to the Management Report – “General Report” in section 2 of the present Registration document.

In addition, on 02/07/15, Solucom acquired a 100% capital stake in the Swiss company, Arthus Technologies.

Founded in 2002, Arthus Technologies is a consulting firm specialised in Information and Communication Technologies (ICT). The company provides tailored solutions, ranging from strategic sourcing through to transformation management, designed to accompany its clients' major international ICT projects.

Arthus Technologies' client portfolio includes several major Swiss and international accounts.

This acquisition was financed exclusively in cash. Arthus Technologies will be consolidated in Solucom's accounts as of 01/07/15.

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# Financial information

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# Consolidated financial statements

## at 31/03/15

### Consolidated Income Statement

(in thousands of euros)	Note	31/03/15	31/03/14
<b>Revenue</b>	1	<b>163,147</b>	<b>141,622</b>
Cost of sales	2	4,257	3,185
Personnel expense (including profit-sharing)	3 & 4	118,210	102,155
External expenses	5	16,076	14,290
Levies and taxes		2,479	2,347
Depreciation charges and provisions		1,070	1,493
Other current income and expenses		(80)	(92)
<b>EBIT</b>		<b>21,135</b>	<b>18,243</b>
Other operating income and expenses	6	(713)	(557)
<b>Operating profit</b>		<b>20,422</b>	<b>17,686</b>
Financial income	7	74	56
Gross cost of financial debt	7	238	254
<b>Net cost of financial debt</b>		<b>165</b>	<b>198</b>
Other financial income and expenses	7	(55)	(12)
<b>Income before tax</b>		<b>20,203</b>	<b>17,476</b>
Tax charge	8	7,611	6,530
<b>Net income for the period</b>		<b>12,592</b>	<b>10,946</b>
Non controlling interests		-	-
<b>Net income, Group share</b>		<b>12,592</b>	<b>10,946</b>
Net earnings per share, Group share (in euros) <sup>(1) (2)</sup>	9	2.57	2.24
Net diluted earnings per share, Group share (in euros) <sup>(2)</sup>	9	2.57	2.24

(1) Weighted number of shares over the period.

(2) In accordance with IAS 33, net earnings per share at 31/03/14 have been restated retrospectively based on the number of shares at 31/03/15.

## Consolidated balance sheet

(in thousands of euros)	Note	31/03/15	31/03/14
<b>Goodwill</b>	10	<b>47,998</b>	<b>41,077</b>
Intangible assets	11	998	1,292
Property, plant and equipment	11 & 12	1,896	2,220
Financial assets > 1 year	13	935	975
Other non-current assets	13	3,100	3,210
<b>Non-current assets</b>		<b>54,927</b>	<b>48,774</b>
Trade receivables and related accounts	14	53,808	49,367
Other receivables	14	8,420	6,696
Cash and cash equivalents	14	26,162	20,034
<b>Current assets</b>		<b>88,390</b>	<b>76,097</b>
<b>Total Assets</b>		<b>143,317</b>	<b>124,871</b>
Capital	15	497	497
Additional paid-in capital		11,218	11,218
Reserves and consolidated income		61,079	52,165
Group translation reserves		115	1
<b>Total shareholders' equity, Group share</b>		<b>72,909</b>	<b>63,880</b>
Non controlling interests		-	-
<b>Total shareholders' equity</b>		<b>72,909</b>	<b>63,880</b>
Long-term provisions	16	6,892	3,934
Financial liabilities < 1 year	17	3,213	3,131
Other non-current liabilities	18	1,943	1,002
<b>Non-current liabilities</b>		<b>12,048</b>	<b>8,067</b>
Short-term provisions	16	1,696	1,637
Financial liabilities < 1 year	17	377	345
Trade payables and related accounts	18	6,852	5,653
Tax and social security liabilities	18	41,123	38,388
Other current liabilities	18	8,311	6,901
<b>Current liabilities</b>		<b>58,360</b>	<b>52,925</b>
<b>Total Liabilities</b>		<b>143,317</b>	<b>124,871</b>

## Change in Consolidated Cash & Equivalents

(in thousands of euros)	31/03/15	31/03/14
<b>Consolidated net income</b>	<b>12,592</b>	<b>10,946</b>
Elimination of non-monetary items		
Net depreciation charges and provisions	2,034	1,940
Gain (loss) on disposals, net of tax	(6)	3
Other calculated income and expenses	(108)	(1,218)
<b>Gross cash flow<sup>(1)</sup></b>	<b>14,512</b>	<b>11,671</b>
Change in working capital requirements	44	(1,022)
<b>Net cash flow from operating activities</b>	<b>14,556</b>	<b>10,648</b>
Acquisition of tangible and intangible assets	(983)	(1,428)
Asset disposals	40	-
Change in financial assets	(741)	864
Impact of changes in consolidation scope <sup>(2)</sup>	(5,201)	(5,949)
Net cash flow from investing activities	(6,886)	(6,513)
Dividends paid to shareholders of parent company	(1,620)	(1,571)
Dividends paid to consolidated non-controlling interests	-	-
Other cash flow from financing activities	80	(650)
<b>Net cash flow from financing activities</b>	<b>(1,540)</b>	<b>(2,221)</b>
<b>Change in net cash</b>	<b>6,129</b>	<b>1,914</b>
Impact of changes in exchange rates	10	(1)
Cash and equivalents at start of period	20,012	18,098
Cash and equivalents at end of period	26,150	20,012

(1) Gross cash flow is calculated after net cost of financial debt and after current tax expense.

Tax paid amounted to €8,645k at 31/03/15, versus €7,211k at 31/03/14.

Interest amounted to €202k at 31/03/15, versus €226k at 31/03/14.

(2) "Impact of changes in consolidation scope" relates to the acquisition of Audisoft Oxéa and Hudson & Yorke and to the acquisition of the industrial activities of PEA Consulting.

## Change in Consolidated Shareholders' Equity

(in thousands of euros)	Capital	Premiums	Consolidated reserves	Profit for the year	Translation gain (loss)	Shareholders' equity
<b>Consolidated shareholders' equity at 31/03/13</b>	<b>497</b>	<b>11,218</b>	<b>32,361</b>	<b>10,336</b>	<b>(1)</b>	<b>54,411</b>
Consolidated profit for the year	-	-	-	10,946	-	10,946
Fair value adjustment of hedging instruments	-	-	-	-	-	-
IAS 19 actuarial gain (loss)	-	-	(140)	-	-	(140)
Insignificant IFRS restatements	-	-	52	-	-	52
<b>Net comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(88)</b>	<b>10,946</b>	<b>-</b>	<b>10,858</b>
Appropriation of profit	-	-	10,336	(10,336)	-	-
Change in capital of the consolidating company	-	-	-	-	-	-
Distributions of the consolidating company	-	-	(1,571)	-	-	(1,571)
Treasury shares	-	-	159	-	-	159
Restatement of provision for free shares	-	-	23	-	-	23
Translation gain (loss)	-	-	-	-	-	-
<b>Consolidated shareholders' equity at 31/03/14</b>	<b>497</b>	<b>11,218</b>	<b>41,220</b>	<b>10,946</b>	<b>(1)</b>	<b>63,880</b>
Consolidated profit for the year	-	-	-	12,592	1	12,593
Fair value adjustment of hedging instruments	-	-	(7)	-	-	(7)
IAS 19 actuarial gain (loss)	-	-	(1,436)	-	-	(1,436)
Insignificant IFRS restatements	-	-	-	-	-	-
<b>Net comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(1,443)</b>	<b>12,592</b>	<b>1</b>	<b>11,150</b>
Appropriation of profit	-	-	10,946	(10,946)	-	-
Change in capital of the consolidating company	-	-	-	-	-	-
Distributions of the consolidating company	-	-	(1,620)	-	-	(1,620)
Treasury shares	-	-	(960)	-	-	(960)
Restatement of provision for free shares	-	-	345	-	-	345
Translation gain (loss)	-	-	-	-	115	115
<b>Consolidated shareholders' equity at 31/03/15</b>	<b>497</b>	<b>11,218</b>	<b>48,487</b>	<b>12,592</b>	<b>115</b>	<b>72,909</b>

Solucom distributed a dividend of 33 cents per share to parent company shareholders during the twelve-month period, making for a total payout of €1,620k.

For the 2014/15 fiscal year, Solucom submitted a dividend proposal for shareholder approval of 39 cents per share (equivalent to an estimated total payout of €1,908k)

Equity contains no taxable items. Cumulative deferred tax assets amounting to €1,107k relate to items booked under equity since the company was founded. These are generated by actuarial differences arising from the application of IAS 19 and changes in the fair value of hedging instruments.

## Statement of Net Comprehensive Income

(in thousands of euros)	Note	31/03/15	31/03/14
<b>Net income</b>		<b>12,592</b>	<b>10,946</b>
Fair value adjustment of hedging instruments	19	(7)	-
IAS 19 actuarial gain (loss)	16	(1,436)	(140)
Insignificant IFRS restatements		-	52
<b>Total recognised as equity</b>		<b>(1,443)</b>	<b>(88)</b>
<b>Net comprehensive income, Group share</b>		<b>11,149</b>	<b>10,858</b>

# Notes

## to the consolidated financial statements

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## 1. Overview

Solucom is a public limited liability company (*Société Anonyme*) incorporated under French law and subject to laws and regulations governing business enterprises in France and notably the provisions of the French Commercial Code. Solucom's registered office and headquarters are located at Tour Franklin – 100/101 terrasse Boieldieu – 92042 Paris La Défense Cedex and the Company is listed on Euronext Paris, compartment B.

The consolidated full-year financial statements of the Solucom Group (comprising the Solucom parent company and its subsidiaries) were approved by the Management Board on 01/06/15. These financial statements will only be considered final once they have been approved by the Shareholders' General Meeting to be held on 22/07/15.

All amounts presented in the Notes are expressed in thousands of euros (€k).

## 2. Key events in the fiscal year

### Acquisition of Audisoft Oxéa

On 29/10/14, Solucom acquired a 100% stake in Financière BFC, a financial holding company with no business operations which owns 100% of Audisoft Consultants<sup>(1)</sup>.

Founded in 1998, Audisoft Oxéa is a management consulting firm that provides major players in the financial sector with support solutions designed to address the challenges they face in terms of performance, legislation, compliance, internal controls and risk management.

At 31/12/13, Audisoft Oxéa reported full-year revenues of €4,540k and posted a slight operating loss. The company has a staff of 32 employees.

This acquisition was financed exclusively in cash. Goodwill related to this acquisition booked in Solucom's consolidated financial statements at 31/03/15 includes a potential earn-out payment of 19% of the book value of the acquisition price.

Audisoft Oxéa was consolidated in Solucom's accounts over five months in 2014/15 (i.e. as of 01/11/14).

Audisoft Oxéa generated revenues of €5,934k for an operating loss of €2k over its 15-month fiscal period ended 31/03/05.

Financière BFC generated revenues of €248k for an operating profit of €115k over its 15-month fiscal period ended 31/03/05.

(1) herein referred to as Audisoft Oxéa.

### Acquisition of Hudson & Yorke

On 11/02/15, Solucom acquired a 100% stake in the UK-based consulting firm, Hudson & Yorke.

Founded in 2006, Hudson & Yorke is a management consulting company specialised in strategic ICT consultancy. The firm provides support services to clients conducting large-scale ICT sourcing programmes in the UK, Europe and in the Middle East.

At 31/03/14, Hudson & Yorke reported full-year revenues of €3,628k (£3,057k) and posted a slight operating profit. The company has a staff of 18 employees.

This operation was financed exclusively in cash. Goodwill related to this acquisition booked in Solucom's consolidated financial statements at 31/03/15 includes a potential earn-out payment equivalent to 29% of the book value of the acquisition price.

Hudson & Yorke was consolidated in Solucom's accounts over one month in 2014/15 (i.e. as of 01/03/15).

Hudson & Yorke generated revenues of €4,710k (£3,676k) for an operating profit of €778k (£607k) in fiscal year ended 31/03/05.

### Lumens earn-out payments

Following the acquisition of Lumens on 04/12/13, and in accordance with the terms of the acquisition protocol, Solucom will not make the second earn-out payment on the acquisition price of this company.

### Trend earn-out payments

Following the acquisition of Trend on 10/01/14, and in accordance with the terms of the acquisition protocol, Solucom made an earn-out payment on the acquisition price of this company in H1 2015/16.

### Acquisition of the industrial activities of PEA Consulting

On 10/10/14, Solucom acquired the industrial assets of the PEA Consulting agency (part of the Open group since 2012).

With a staff of 12 employees, PEA Consulting provides specialised consultancy services in the fields of supply chain performance, Information Systems (IS) and risk management. The company's client portfolio includes several key accounts, operating for the most part in the industry and transport sectors.

### Impact of business combinations

On a like-for-like basis (restated for the acquisitions of Lumens Consultants, Trend Consultants, Audisoft Oxéa, Hudson & Yorke and the industrial assets of PEA Consulting), Solucom generated revenues of €155,386k, operating income on ordinary activities of €20,060k, and Group share of net profit of €12,331k in fiscal year ended 31/03/15. This compares with €136,976k, €17,815k, and €10,869k, respectively, in fiscal year ended 31/03/14, restated for the same acquisitions to enable comparability between the two fiscal periods.

At consolidated level, the Group posted 2014/15 revenues totalled €163,147k, operating income on ordinary activities of €21,135k, and Group share of net profit of €12,592k over the period.

### Asset transfers

The assets of Alturia Consulting and Eveho, two subsidiaries 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/05/14 by the sole shareholder of the merged companies. These asset transfers were effectively carried out on 30/06/14 at the close of the statutory period of opposition granted to creditors to lodge claims.

The assets of Stance, a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/11/14 by the sole shareholder of the merged company. These asset transfers were effectively carried out on 31/12/14 at the close of the statutory period of opposition granted to creditors to lodge claims.

The assets of Lumens and Trend, two subsidiaries 100% owned by Solucom, were transferred to the holding company, upon decision made on 26/02/14 by the sole shareholder of the

merged companies. These asset transfers were effectively carried out on 31/03/15 at the close of the statutory period of opposition granted to creditors to lodge claims.

None of these operations had an impact on the consolidated financial statements.

## 3. Accounting methods and principles

### 3.1. Consolidation principles

#### Reporting framework

Since 01/04/05, Solucom's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and European directive n° 1606/2002 dated 19/07/02. These include the IFRS and IAS standards as well as their interpretations which had been adopted by the European Union at 31/03/15.

The accounting principles used to prepare Solucom's 2014/15 consolidated financial statements are the same as those applied by the Company to prepare its consolidated financial statements for fiscal year ended 31/03/14.

#### Changes in standards

The Group has applied the IFRS and IAS standards and IFRIC interpretations adopted by the European Union for annual reporting periods beginning on or after 01/04/14 (available on the European Commission website [http://ec.europa.eu/internal\\_market/accounting/ias\\_fr.htm#adopted-commission](http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission)). The application of these standards and interpretations had no significant impact on the measurement methods or presentation of the Company's financial statements.

### IFRS standards, IFRIC interpretations and amendments applied by the company as of 01/04/14

Standards, amendments and interpretations	Date adopted by the EU	Date implemented by the IASB; fiscal period beginning
IFRS 10 - Consolidated financial statements	29/12/12	01/01/14
IFRS 11 - Joint arrangements	29/12/12	01/01/14
IFRS 12 - Disclosure of interests in other entities	29/12/12	01/01/14
Revised IAS 28 - Investments in associates and joint ventures	29/12/12	01/01/14
Amendments to IAS 32 - Offsetting financial assets and financial liabilities	29/12/12	01/01/14
Amendments to the transitional provisions of IFRS 10, 11 and 12	05/04/13	01/01/14
Amendments to IAS 36 - Impairment of Assets: Information concerning the recoverable amount of non financial assets	20/12/13	01/01/14

The application of these new standards has had no material impact on Solucom's financial statements.



## Accounting standards and interpretations that the Company will apply in the future

The Company has chosen not to apply the following standards and interpretations which have been published by the IASB but had not yet adopted by the European Union at 31/03/15.

Standards, amendments and interpretations	Date published by IASB	Date implemented by the IASB; fiscal period beginning
IFRS 9 - Financial instruments	24/07/14	01/01/18
IFRS annual improvements (2012-2014)	25/09/14	01/01/16
Amendments to IFRS 11 - Joint arrangements: Accounting of acquisitions of interests in joint operations	06/05/14	01/01/16
Amendments to IAS 1 - Presentation of financial statements - Disclosure initiative	18/12/14	01/01/16
Amendments to IAS 16 - Tangible assets, and IAS 38 - Intangible assets: Clarification of acceptable methods of depreciation and amortisation	12/05/14	01/01/16
IFRS 15 - Revenue from contracts with customers	28/05/14	01/01/17
Amendments to IAS27 - Equity method used in separate financial statements	12/08/14	01/01/16
Amendments to IAS 28 and IFRS 10	11/09/14	01/01/16

The Company has chosen not to apply the following standards and interpretations published by the IASB which had been adopted by the European Union at 31/03/15.

Standards, amendments and interpretations	Date adopted by the EU	Date of application <sup>(1)</sup> ; fiscal year beginning
IFRIC 21 - Levies	14/06/14	17/06/14
IFRS annual improvements (2011-2013)	19/12/14	01/01/15
Amendments to IAS 19 - Defined benefit plans: employee contributions	09/01/15	01/02/15
IFRS annual improvements (2010-2012)	09/01/15	01/02/15

(1) Dates of EU application.

The impact of draft standards and interpretations currently being reviewed by the IASB has not been taken into account in these consolidated financial statements and cannot reasonably be estimated at this time.

### Fiscal year comparability

The financial statements for fiscal years ended 31/03/15 and 31/03/14 are comparable except for scope of consolidation changes.

### 3.2. Consolidation methods

Solucom is the consolidating company.

As such, the financial statements of the companies placed under its exclusive control are fully consolidated.

Solucom does not exert any significant influence or joint control over any other company. Neither does it control, either directly or indirectly, any other ad hoc entity.

If required, the financial statements of the consolidated companies are restated to ensure the uniform application of accounting measurement and rules.

The asset transfer operations described in section 2, "Key events during the fiscal year", had no impact on the consolidated financial statements.

The financial statements of the Company's consolidated subsidiaries were approved at 31/03/15.

Solucom's consolidated financial statements at 31/03/15 include all of the companies integrated into the Group over the twelve-month period with the exception of Audisoft Oxéa which has been consolidated over the last 5 months, and Hudson & Yorke which has been consolidated over the last month.

### 3.3. Currency translation methods

#### Translation of financial statements from one currency to another

The balance sheets of foreign companies are translated into euros at the prevailing exchange rate at the end of the period. The income and cash flow statements are converted at the average exchange rate for the period and the resulting translation differences recognised in shareholders' equity under "Translation adjustments" for the Group's share.

The closing and average GBP/euro and MAD/euro exchange rates retained are listed in the table below:

	Closing rate		Average rate	
	31/03/15	31/03/14	31/03/15	31/03/14
Pound Sterling (GBP) <sup>(1)</sup>	1.374948	n/a	1.374476	n/a
Dirham <sup>(MAD)</sup> <sup>(1)</sup>	0.093399	0.088875	0.090570	0.089276

(1) Source Banque de France.

The average exchange rate is determined by calculating the average monthly closing prices over the period.

#### Recognition of foreign currency transactions

Transactions denominated in a foreign currency are translated into euros at the effective exchange rate on the transaction date, or at the guaranteed rate when covered by a currency hedge.

#### 3.4. Use of estimates

The preparation of financial statements in accordance with IFRS standards entails making estimates and assumptions of the book value of certain items in the financial statements, notably with regard to:

- Duration of asset depreciation
- Measurement of provisions and retirement commitments
- Assumptions used for impairment testing
- Fair-value measurement of financial instruments
- Estimates of accrued income and expenses
- Measurement of share-based payments
- Performance estimates retained for the calculation of subsidiary acquisition earn-out payments
- Recognition of deferred tax assets
- Recognition of revenue from fixed-price contracts.

Management reviews these estimates and assessments on a regular basis to take into account past experience and other factors deemed relevant which serve as the basis for it to make its assessments. Future results may differ significantly from forecasts given in this report should there be a change in assumptions or conditions.

#### 3.5. Business combinations and goodwill

Each company in Solucom's scope of consolidation is treated as a single Cash Generating Unit (CGU).

Due to reorganisation measures carried out at the operating and legislative (asset transfers) levels in past years and during the current fiscal period, initial amounts of goodwill attributed to each company acquired by, and merged into the Solucom parent company have since been consolidated and assigned to the merging structure. Individual goodwill monitoring of these subsidiaries is no longer possible given that the activities of the acquired companies have since been merged. In addition, note that the activities of the merged subsidiaries are identical.

At the close of every financial year, or when there is an indication of loss in value, an impairment test is conducted on all assets that are subject to goodwill.

Goodwill impairment tests are conducted using the discounted future cash flow method whereby cash flows are determined on the basis of a set of estimates for the first 5 years and a hypothetical growth rate to infinity thereafter. Cash flows derived from these estimates are then discounted to present value.

These tests are based on the following assumptions:

- A growth rate to infinity of 2%; a level deemed reasonable in light of past performance observed in the IT services sector.

- A discount rate of 10% after tax which factors in a 10-year long bond yield, a market risk premium, a beta coefficient observed by comparable listed companies (including Solucom) and a risk premium specific to the Company.

In addition, an analysis of the stock's sensitivity to the key assumptions used (growth rate to infinity and discount rate) serves as a means to verify the impact of likely changes in these assumptions.

### 3.6. Intangible assets and property, plant and equipment

All of Solucom's assets were purchased by the Company, with the exception of leased property.

Software and tangible assets are measured at their acquisition cost, less total depreciation and impairment. Financial expenses are not capitalised and therefore booked as expenses over the period.

Identified asset components are recognised and depreciated separately.

Depreciation and amortisation are calculated on the basis of the straight-line method without any deduction of residual value, applied over the estimated service life of the assets. The service life of major fixed assets is reviewed at the end of every fiscal period. The initial estimated service life is extended or reduced in accordance with the actual use conditions.

In the case of leased acquisitions of large tangible assets, the value of the asset acquired is capitalised and depreciated using the method, and over the expected service life, described above. The corresponding debt is booked as a liability.

The depreciation periods generally applied are as follows:

- Software: 3 - 5 years
- Fixtures and fittings: 6 - 9 years
- Passenger vehicles: 4 years
- Computer hardware: 3 years
- Office furniture: 9 years

### 3.7. Impairment and recoverable value of non-current assets

In certain circumstances, intangible and tangible fixed assets may be subject to impairment tests. Assets with an indefinite service life (see Note 3.5 on Goodwill), are tested for impairment at least once a year and whenever there is evidence of loss of value.

### 3.8. Guarantees and deposits

In accordance with IAS 39 - "Financial Instruments", deposits and guarantees with maturities of more than 1 year and bearing no interest are discounted when their value is significant.

### 3.9. Non-current financial assets

Non-current financial assets include loans and receivables with maturities of more than 1 year valued at amortised cost. Financial asset acquisitions and disposals are recognised on the settlement date.

### 3.10. Receivables

Receivables are measured at their nominal value. A provision for impairment is constituted when the recoverable value is less than the carrying value.

### 3.11. Cash and cash equivalents

Cash and cash equivalents booked as balance-sheet assets are made up of available cash, sight deposits, and cash equivalents.

Cash equivalents are marketable securities that meet IAS 7 criteria. These include short-term investments which are easily convertible into a known amount of cash and do not present any great risk of depreciation in value.

Marketable securities are initially recognised at acquisition cost, and then measured at fair value which, for listed securities, is the market price at the end of the reporting period. Any change in fair value is booked under financial income or expenses, as is net income and/or expenses from disposals.

### 3.12. Treasury stock

Solucom owns a certain amount of treasury stock acquired in the context of the share buyback programme authorised by its Shareholders' General Meeting.

In accordance with IAS 32-39, all stock acquisitions are deducted from consolidated shareholders' equity, regardless of the reason for the purchase and how they are classified in the separate financial statements of the holding companies. In addition, proceeds from the sale of treasury shares as well as any provisions written for their impairment are neutralised in equity.

### 3.13. Employee benefits

In accordance with IAS 19 - "Employee Benefits", commitments, resulting from, and costs related to, defined benefit schemes are measured on the basis of the projected unit-credit method by independent actuaries. The Group's commitments are limited to the payment of end-of-career benefits.

These are based on the following assumptions:

- Application of Syntec collective bargaining agreement n° 3018
- High staff turnover levels
- TGHF 2015 mortality table with extension of age brackets to take into account longer life expectancies of the younger generations
- Payroll tax rate: 45%
- Pay reviews: 2%
- Discount rate: 1.14% (reduced from 3% thus generating an actuarial difference)
- Retirement age: 65 yrs
- Voluntary departure.

In accordance with the Amendment to IAS 19 - "Employee Benefits" - dated 16/06/11 applicable to reporting periods starting on or after 01/01/13, Solucom recognised all actuarial gains and losses directly under shareholders' equity at 31/03/15.

Certain benefits are also provided within the framework of defined contribution schemes. Contributions made to these schemes are expensed when incurred.

Solucom has no other long-term or end-of-contract severance obligations.

### 3.14. Borrowings and financial debt

Financial liabilities include restated equipment-leasing contracts, bonds, borrowings from banks, and overdrafts. Financial debt maturing in less than 1 year is recognised under current financial liabilities. Financial debt is booked at amortised cost using the effective interest rate method.

### 3.15. Financial instruments

Solucom has set up exchange rate hedges (cash flow hedges) to cover the risk to which certain export sales may be exposed. The gains generated by, and losses incurred on, the recognition of hedging instruments at fair value are booked under "Other comprehensive income" (OCI). Latent gains and losses are written to the income statement when the hedged position is closed.

### 3.16. Potential liabilities and assets

None.

### 3.17. Segment reporting

Solucom specialises in a specific market segment; that of management and information systems consulting. Since all of the Group's services are subject to the same risks and generate similar profitability rates, and given the fact that virtually all its revenues are generated in France, no separate business segments have been identified.

### 3.18. Revenue recognition

Revenue is recognised according to the type of contract entered into with the client.

#### Time-based services contracts

Revenues generated on time-based services contracts are recognised as and when the service is rendered. Revenue is calculated on the basis of the contracted selling price multiplied by the number of billable hours spent. Unbilled receivables and deferred income are recognised when invoicing is not in phase with the state of progress of the work.

#### Fixed-price services contracts

Revenues generated on fixed-price services contracts are recognised as and when the various stages of the work are completed. These are calculated on the basis of the costs incurred and still to be incurred. A provision for loss on completion is written on a contract-per-contract basis when a contract is expected to make a loss. Unbilled receivables and deferred income are recognised when invoicing is not in phase with the state of progress of the work.

#### Subscription services

Revenue from subscription services is recognised on a prorata temporis basis over the term of the contract. Unbilled receivables and deferred income are recognised when invoicing is not in phase with the prorata temporis terms of the contract.

### 3.19. R&D expenses

The Company carries out R&D activities on a regular basis. Some of these are eligible for the French research tax credit.

These R&D activities are capitalised as exceptional expenses (see Note 11).

### 3.20. Deferred tax

Deferred tax is calculated by the Company for temporary differences between the carrying value of assets and liabilities and their taxable value.

In accordance with IAS 12, tax assets are only recognised on a company-by-company basis when the estimated future profit is sufficient to cover these assets and when their maturity does not exceed 10 years.

Deferred tax assets and liabilities are measured at the expected tax rate for the fiscal year in which the asset will be realised or the liability settled.

Tax on items recognised directly in shareholders' equity is booked under equity.

### 4. Scope of consolidation

Merger and acquisition changes in the Group's scope of consolidation are described in section 2 "Key events in the fiscal year".

Solucom's consolidated financial statements include the accounts of the following companies:

Company	Head office	Company registration number	Legal form	Holding (%)	Nationality	Number of months consolidated
Solucom SA	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	37755024900041	SA (Public limited company)	Parent company	France	12
Alturia Consulting	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	35071510800063	SAS (Simplified joint stock company)	100%	France	3
Eveho Conseil	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	48352938400032	SAS	100%	France	3
Stance Partners	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	48135193000039	SAS	100%	France	9
SLM Consulting	Résidence RIBH, angle Bir Anzarane et Caid Achtar Casablanca - Morocco	266961	SARL	100%	Morocco	12
Lumens Consultants	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	51120513000020	SAS	100%	France	12
Trend Consultants	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	49538342400035	SAS	100%	France	12
Financière BFC	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	49108698900036	SAS	100%	France	5
Audisoft Oxéa	Tour Franklin 100-101, Terrasse Boieldieu 92042 La Défense Cedex	41782318400045	SAS	100%	France	5
Hudson & Yorke	Warnford Court 29 Throgmorton Street London - UK	5896422	Limited company	100%	UK	1

All of these companies have been fully consolidated.

## 5. Notes relative to certain income-statement and balance-sheet items

### Note 1. Revenue

The bulk of Solucom's consolidated revenue is generated in France.

### Note 2. Purchases consumed

Purchases consumed are exclusively limited to the acquisition of subcontracted services.

### Note 3. Payroll expenses

Payroll expenses	31/03/15	31/03/14
Salaries and benefits	80,367	69,536
Social contributions	37,843	32,620
<b>Total</b>	<b>118,210</b>	<b>102,155</b>

Average FTE headcount	31/03/15	31/03/14
Engineers and managers	1,344	1,193
Employees	36	36
<b>Total</b>	<b>1,379</b>	<b>1,228</b>

### Note 4. Executive compensation

Executive compensation <sup>(1)</sup>	31/03/15	31/03/14
Compensation paid to Management Board members	433	440
Compensation paid to Supervisory Board members	98	56
<b>Total</b>	<b>531</b>	<b>496</b>

(1) Excluding mandatory profit-sharing.

### Note 5. External expenses

	31/03/15	31/03/14
Rent and other lease expenses	5,253	5,299
Professional fees	3,399	2,813
Travel, assignments	3,644	2,995
Other external expenses	3,780	3,183
<b>Total</b>	<b>16,076</b>	<b>14,290</b>

The bulk of other external expenses comprise non-stock equipment and supplies, maintenance and repair costs, postal and telecommunications expenses, and expenditure on advertising and training.

**Note 6. Non-current operating income and expenses**

	<b>31/03/15</b>	<b>31/03/14</b>
Other	-	59
<b>Other operating income</b>	<b>-</b>	<b>59</b>
Securities trading charges	(663)	(257)
Other	(50)	(358)
<b>Other operating expenses</b>	<b>(713)</b>	<b>(615)</b>
<b>Total net</b>	<b>(713)</b>	<b>(557)</b>

Other operating expenses include costs booked at end-March 2015 related to the Solucom Corporate Foundation skills-sponsorship programme. Note that at end-March 2014, in addition to these afore-mentioned costs, other operating expenses also included non-recurring costs attached to the merger of Alturia Consulting's two business units based in Bordeaux and Paris.

**Note 7. Financial profit (loss)**

	<b>31/03/15</b>	<b>31/03/14</b>
Net income from sale of cash equivalents	67	51
Interests on borrowing	(238)	(254)
Change in fair value of cash and equivalents	7	5
<b>Cost of net debt</b>	<b>(165)</b>	<b>(198)</b>
Other financial income and expenses	(55)	(12)
<b>Financial profit (loss)</b>	<b>(219)</b>	<b>(211)</b>



## Note 8. Tax charge

### Net impact of tax profit

	31/03/15	31/03/14
Current tax	7,595	6,822
Deferred tax	16	(292)
<b>Total</b>	<b>7,611</b>	<b>6,530</b>

In accordance with the French Accounting Board (CNC) circular of 14/01/10, Solucom opted to record the Company Added-Value Contribution (CVAE) tax levy as a tax on earnings as of 2010. CVAE booked under "tax expenses" totalled €2,032k in 2014/15.

Origin of deferred taxes	Consolidated statement of financial position		Income statement	
	31/03/15	31/03/14	31/03/15	31/03/14
Temporary timing differences on provisions	1,644	1,561	139	(231)
Consolidation entries	2,168	1,386	(122)	(101)
<b>Total deferred tax assets</b>	<b>3,812</b>	<b>2,947</b>	<b>17</b>	<b>(332)</b>
Temporary timing differences on provisions	2	-	-	-
Consolidation entries	-	176	-	40
<b>Total deferred tax liabilities</b>	<b>2</b>	<b>176</b>	<b>(0)</b>	<b>40</b>
<b>Deferred tax charge</b>			<b>16</b>	<b>(292)</b>

At 31/03/15, deferred taxes falling due in more than one year totalled €2,433k. All deferred taxes generated by Group transactions carried out over the period have been recognised.

### Tax reconciliation

The difference between the theoretical and the effective tax expense breaks down as follows:

	31/03/15	31/03/14
Consolidated net income	12,592	10,946
Tax expense (income)	7,611	6,530
IAS 12: CVAE and other	(2,068)	(1,749)
Tax credits	(2,565)	(1,943)
Profit before tax	15,570	13,784
Theoretical tax rate	33.33%	33.33%
<b>Theoretical tax expense (income)</b>	<b>5,190</b>	<b>4,594</b>
<b>Reconciliation :</b>		
Permanent differences	362	71
Activities taxed at a different rate	158	174
Tax credit	(167)	(59)
IAS 12: CVAE and others	2,068	1,749
<b>Effective tax expense (income)</b>	<b>7,611</b>	<b>6,530</b>

## Note 9. Earnings per share

Earnings per share	31/03/15	31/03/14
Net income, Group share	12,592	10,946
Weighted average number of shares outstanding <sup>(1)</sup>	4,891,546	4,891,546
<b>Net undiluted earnings per share, Group share</b>	<b>2.57</b>	<b>2.24</b>
Number of shares issued as at 31 March	4,891,546	4,891,546
<b>Net diluted earnings per share, Group share</b>	<b>2.57</b>	<b>2.24</b>

(1) Excluding treasury shares.

In accordance with IAS 33, net earnings per share at 31/03/14 have been restated retrospectively on the basis of the number of shares at 31/03/15.

## Note 10. Goodwill on the balance sheet

	Net value at 31/03/14	Change in scope	Reduction in the fiscal year	Translation gains (losses)	Net value at 31/03/15
Solucom SA	24,137	16,652	-	-	40,789
Alturia Consulting	4,266	(4,266)	-	-	-
Eveho	3,020	(3,020)	-	-	-
Stance	4,380	(4,380)	-	-	-
Lumens Consultants	3,075	(2,787)	(288)	-	-
Trend Consultants	2,199	(2,199)	-	-	-
Industrial assets of PEA	-	70	-	-	70
Audisoft Oxéa	-	2,398	-	-	2,398
Hudson & Yorke	-	4,738	-	3	4,741
<b>Total</b>	<b>41,077</b>	<b>7,206</b>	<b>(288)</b>	<b>3</b>	<b>47,998</b>

Given the delays in Lumens Consultants' business-plan, Solucom did not make the earn-out payment on the acquisition price of this company.

Solucom's consolidated financial statements have been adjusted to take this factor into account.

### Goodwill calculation of recently-consolidated acquisitions

The goodwill of recent acquisitions integrated into the Group's scope of consolidation can be broken down as follows:

	Industrial activities of PEA Consulting	Audisoft Oxéa	Hudson & Yorke	Total
<b>Acquisition cost</b>				
Acquisition price	-	447	4,867	5,314
Price adjustment	-	105	166	271
Price supplement	-	-	1,786	1,786
<b>Total I</b>	<b>-</b>	<b>552</b>	<b>6,820</b>	<b>7,372</b>

For Audisoft Oxéa, the maximum price adjustment could amount to €201k.

	Industrial activities of PEA Consulting	Audisoft Oxéa	Hudson & Yorke	Total
<b>Assets acquired at acquisition date</b>				
Net assets	4	13	36	54
Non-current assets	37	238	-	275
Current assets	121	1,775	2,935	4,831
<b>Subtotal B</b>	<b>162</b>	<b>2,026</b>	<b>2,971</b>	<b>5,159</b>
<b>Liabilities acquired at acquisition date</b>				
Non-current liabilities	106	145	2	253
Short-term provisions	-	211	-	211
Current liabilities	125	3,516	887	4,528
<b>Subtotal C</b>	<b>231</b>	<b>3,872</b>	<b>889</b>	<b>4,993</b>
<b>Total II - Net assets acquired (B-C)</b>	<b>(70)</b>	<b>(1,846)</b>	<b>2,082</b>	<b>166</b>

	Industrial activities of PEA Consulting	Audisoft Oxéa	Hudson & Yorke	Total
<b>Goodwill (I-II)</b>	<b>70</b>	<b>2,398</b>	<b>4,738</b>	<b>7,206</b>

#### Impairment tests

Given that Audisoft Oxéa and Hudson & Yorke were recent acquisitions (consolidated over 5 months and 1 month, respectively at 31/01/15), no goodwill impairment tests were performed on these companies.

The impairment tests carried out on the goodwill relating to Solucom SA, Lumens Consultants and Trend Consultants confirmed the value of their goodwill based on the nominal assumptions used.

Sensitivity tests were also carried out, the results of which are given below.

	Solucom SA	Lumens Consultants	Trend Consultants
Difference between value in use and carrying value	> 100,000	> 740	> 1,600
Theoretical impairment of a 1 point reduction in growth to infinity (a)	-	-	-
Theoretical impairment of a 1 point increase in the discount rate (b)	-	11	-
Theoretical impairment of (a) + (b)	-	202	-

On the basis of these sensitivity tests, Management considers it reasonably unlikely that any change in the key assumptions used would require the need for impairment recognition.

As such, the goodwill impairment and sensitivity tests carried out confirmed no loss in value.

### Note 11. Intangible assets and property, plant and equipment

<b>Gross value</b>	<b>31/03/14</b>	<b>Change in scope</b>	<b>Increase</b>	<b>Decrease</b>	<b>Translation gain (loss)</b>	<b>31/03/15</b>
Software	2,902	85	318	(106)	-	3,199
Intangible assets in construction	309	-	182	(339)	-	151
<b>Total intangible assets</b>	<b>3,210</b>	<b>85</b>	<b>500</b>	<b>(445)</b>	<b>-</b>	<b>3,350</b>
Other tangible assets	5,617	368	119	(510)	-	5,594
Other lease assets	2,824	-	491	(8)	-	3,307
Tangible assets in construction	130	-	598	(728)	-	-
<b>Total tangible assets</b>	<b>8,571</b>	<b>368</b>	<b>1,208</b>	<b>(1,246)</b>	<b>-</b>	<b>8,901</b>

<b>Depreciation</b>	<b>31/03/13</b>	<b>Change in scope</b>	<b>Increase</b>	<b>Decrease</b>	<b>Translation gain (loss)</b>	<b>31/03/15</b>
Software	1,918	85	366	(103)	-	2,266
<b>Total intangible assets</b>	<b>1,918</b>	<b>85</b>	<b>366</b>	<b>(103)</b>	<b>-</b>	<b>2,266</b>
Other tangible assets	4,020	313	427	(508)	-	4,251
Other lease assets	2,319	-	401	(3)	-	2,717
<b>Total tangible assets</b>	<b>6,339</b>	<b>313</b>	<b>827</b>	<b>(511)</b>	<b>-</b>	<b>6,968</b>

<b>Depreciation</b>	<b>31/03/14</b>	<b>Change in scope</b>	<b>Increase</b>	<b>Decrease</b>	<b>Translation gain (loss)</b>	<b>31/03/15</b>
Software	1	-	86	(1)	-	86
<b>Total intangible assets</b>	<b>1</b>	<b>-</b>	<b>86</b>	<b>(1)</b>	<b>-</b>	<b>86</b>
Other tangible assets	12	34	-	(9)	-	36
Other lease assets	-	-	-	-	-	-
<b>Total tangible assets</b>	<b>12</b>	<b>34</b>	<b>-</b>	<b>(9)</b>	<b>-</b>	<b>36</b>
<b>Total net intangible assets</b>	<b>1,292</b>	<b>-</b>	<b>48</b>	<b>(341)</b>	<b>-</b>	<b>998</b>
<b>Total net tangible assets</b>	<b>2,220</b>	<b>21</b>	<b>381</b>	<b>(726)</b>	<b>-</b>	<b>1,896</b>

None of Solucom's intangible assets are subject to ownership restrictions.

The only tangible assets that are subject to ownership restriction are those funded by a leasing contract.

Software expenses include commercial software purchases, as well as development expenses activated to develop the management system used by the company (Activesys), in the amount of €309k.

Changes in "Payables to suppliers of fixed assets" showed a decline of €311k at 31/03/15, compared with an increase of €433k at 31/03/14.

## Note 12. Leasing

### Net Asset Value by asset class

Asset class	31/03/15	31/03/14
Office and computer equipment	590	505
<b>Total</b>	<b>590</b>	<b>505</b>

### Impact on income statement

Income statement	31/03/15	31/03/14
Recognised depreciation	(400)	(354)
Financial expenses	(14)	(19)
Amount of royalties restated for the fiscal year	417	374
<b>Total</b>	<b>3</b>	<b>1</b>

### Royalties

Royalties	31/03/15	31/03/14
Original value of goods	3,307	2,824
Royalties paid:		
- in previous years	2,361	2,180
- during the fiscal period	417	374
<b>Total</b>	<b>2,778</b>	<b>2,554</b>

### Royalties outstanding

< 1 year	330	349
1 ≥ 5 years	271	253
> 5 years	-	-
<b>Total royalties</b>	<b>601</b>	<b>601</b>
<i>of which future financial expenses</i>	<i>10</i>	<i>14</i>
Residual value at end of contract	9	7

## Note 13. Other assets

Financial assets are comprised exclusively of deposits and guarantees, which are measured in accordance with observable data specified in IFRS 13.

Other non-current assets consist mainly of deferred tax assets in the amount of €2,433k (€2,947k at 31/03/14).

## Note 14. Current assets

Trade receivables and related accounts	31/03/14	Change in consolidation scope	Change	Translation gain (loss)	31/03/15
Gross value	49,441	2,226	2,212	26	53,905
Impairment	(74)	(67)	43	-	(98)
<b>Net value</b>	<b>49,367</b>	<b>2,159</b>	<b>2,255</b>	<b>26</b>	<b>53,808</b>

Solucom analyses trade receivables and recognises impairment on a case-by-case basis taking into account the customer's specific situation and delays in payments. No overall impairment was recognised over the period.

<b>Other receivables</b>	<b>31/03/14</b>	<b>Change in consolidation scope</b>	<b>Change</b>	<b>Translation gain (loss)</b>	<b>31/03/15</b>
Advances and downpayments	68	46	488	-	601
Tax receivables	4,314	532	696	-	5,542
Other debtors	372	88	304	-	764
Prepaid expenses	1,952	59	(435)	-	1,575
<b>Gross value</b>	<b>6,705</b>	<b>725</b>	<b>1,053</b>	<b>1</b>	<b>8,483</b>
Impairment of other receivables	(9)	(26)	(29)	-	(64)
<b>Impairment</b>	<b>(9)</b>	<b>(26)</b>	<b>(29)</b>	<b>-</b>	<b>(64)</b>
<b>Net value</b>	<b>6,696</b>	<b>700</b>	<b>1,024</b>	<b>1</b>	<b>8,420</b>

<b>Cash and cash equivalents</b>	<b>31/03/14</b>	<b>Change in consolidation scope</b>	<b>Change</b>	<b>Translation gain (loss)</b>	<b>31/03/15</b>
Money-market mutual funds (SICAVs) - Cash equivalents	9,803	-	1,442	-	11,246
Cash and cash equivalents	10,231	2,205	2,471	10	14,917
<b>Gross value</b>	<b>20,034</b>	<b>2,205</b>	<b>3,913</b>	<b>10</b>	<b>26,162</b>
<b>Impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net value</b>	<b>20,034</b>	<b>2,205</b>	<b>3,913</b>	<b>10</b>	<b>26,162</b>

The historical-cost value of money-market mutual funds (SICAVs) was €11,242k at 31/03/15 (€9,789k the previous year).

Cash and cash equivalents are measured on the basis of the fair value of listed assets traded on an active market, in accordance with IFRS 13.

### Note 15. Capital

At 31/03/15, the Solucom parent company's share capital consisted of 4,966,882 fully paid up shares at €0.10 per share.

At the same date, the company owned 75,336 treasury shares.

In addition, pursuant to the authorisation granted to it by the Shareholders' General Meeting, the Management Board decided at its meeting on 01/07/14 to freely allocate existing and/or to-be-issued shares to Company executives. This plan provides for the definitive allocation of free shares at the end of the vesting period, subject to the beneficiary's presence in the Company at the time of allocation and having a personal investment in Solucom shares. In addition, the number of shares awarded is determined by a set of performance criteria based on achieving a predefined consolidated EBIT target.

Besides, at that same meeting, the Management Board decided to freely allocate existing and/or to-be-issued shares to staff members or certain categories of employees of the Company and the Group, within the context of the Employee Savings Scheme set up by the Company.

Recognition of the respective benefits awarded within the context of these plans and plans previously attributed, for which a specific provision was written, had an impact on group equity in the financial statements at 31/03/15.

## Note 16. Provisions

The bulk of provisions relate to end-of-career indemnities which are measured by an independent actuary, as well as employment tribunal claims, the value of which is based on estimates of the most probable risk drawn up by legal counsel and, if applicable, provisions for client default risk.

	31/03/14	Change in consolidation scope	Increase	Reversal		31/03/15
				Used	Unused	
Provision for retirement packages	3,934	248	2,773	(64)	-	6,892
<b>Total long-term provisions</b>	<b>3,934</b>	<b>248</b>	<b>2,773</b>	<b>(64)</b>	<b>-</b>	<b>6,892</b>
Provision for loss	1,637	211	588	(395)	(345)	1,696
Provision for contingencies	-	-	-	-	-	-
<b>Total short-term provisions</b>	<b>1,637</b>	<b>211</b>	<b>588</b>	<b>(395)</b>	<b>(345)</b>	<b>1,696</b>
<b>Total provisions</b>	<b>5,572</b>	<b>459</b>	<b>3,361</b>	<b>(459)</b>	<b>(345)</b>	<b>8,588</b>

Changes in the amount of provisions impacted operating income on ordinary activities and operating profit to the tune of €367k and €0, respectively.

End-of-career provisions increased €2,958k, of which €248k related to acquisitions consolidated over the period, €519k in charges and €2,190k in actuarial differences related to movements in the discount-rate and headcount levels (€1,436k net of tax). Actuarial gains and losses related to end-of-career benefits are recognised directly under shareholders' equity.

This had a negative impact on shareholder's equity, net of deferred taxes, of €(140k) at 31/03/14 and (€1,436k) at 31/03/15.

The net carrying expense in the amount of €519k breaks down as follows:

- Cost of services rendered: €449k
- Interest expenses for the year: €134k
- Services providers: €(64)k

## Note 17. Financial liabilities and net debt

	31/03/14	Change in consolidation scope	Change	Translation gain (loss)	31/03/15
<b>Debt &gt; 5 years</b>	<b>2,935</b>	-	<b>(2,935)</b>	-	-
Bonds	2,935	-	(2,935)	-	-
<b>Debt 1 ≥ 5 years</b>	<b>196</b>	-	<b>3,017</b>	-	<b>3,213</b>
Bonds	-	-	2,949	-	2,949
Financial debt (Leases)	196	-	68	-	264
<b>Total non-current financial liabilities</b>	<b>3,131</b>	-	<b>82</b>	-	<b>3,213</b>
Bank borrowings <sup>(1)</sup>	(56)	-	16	-	(40)
Other borrowings and financial debt	-	-	-	-	-
Financial debt (Leases)	311	-	11	-	322
Bank overdrafts	9	1	(1)	-	8
Accrued interest not due	81	9	(4)	-	87
<b>Total current financial liabilities (&lt; 1 year)</b>	<b>345</b>	<b>10</b>	<b>22</b>	-	<b>377</b>
<b>Total financial liabilities excluding bank overdrafts</b>	<b>3,468</b>	<b>9</b>	<b>105</b>	-	<b>3,582</b>
<b>Total financial liabilities</b>	<b>3,476</b>	<b>10</b>	<b>104</b>	-	<b>3,590</b>

(1) Fees to set up original €16,000k line of credit. No draw downs at 31/03/15.



**Breakdown of financial liabilities by rate:**

Rate	31/03/14		31/03/15	
	Fixed	Variable	Fixed	Variable
Non-current financial liabilities	3,131	0	3,213	0
Current financial liabilities	401	(56)	417	(40)
<b>Total financial liabilities</b>	<b>3,532</b>	<b>(56)</b>	<b>3,630</b>	<b>(40)</b>

Assets pledged as collateral against these borrowings are described in Note 20 below.

The Group did not default on any of its debt repayment obligations during the period.

The features of the bond subscribed to by the Micado France 2018 mutual fund are as follows:

- Nominal: €3,000k
- Coupon: 5.5%
- Maturity: 02/10/18
- Issue date: 30/10/12
- This bond is measured in accordance with the observable data specified in IFRS 13.

**Change in cash and cash equivalents / net (debt)**

Cash and cash equivalents	31/03/14	Change in consolidation scope	Change	Translation gain (loss)	31/03/15
	Cash equivalents at historic value	9,789	-	1,453	-
Cash and cash equivalents	10,231	2,205	2,471	10	14,917
Bank overdrafts	(9)	-	-	-	(8)
<b>Total cash net of overdrafts</b>	<b>20,012</b>	<b>2,205</b>	<b>3,924</b>	<b>10</b>	<b>26,150</b>
Fair value adjustment of cash and equivalents	14	-	(10)	-	4
<b>Consolidated cash</b>	<b>20,026</b>	<b>2,205</b>	<b>3,914</b>	<b>10</b>	<b>26,154</b>
<b>Financial liabilities excluding bank overdrafts</b>	<b>3,468</b>	<b>9</b>	<b>105</b>	<b>-</b>	<b>3,582</b>
<b>Net cash / financial (debt)</b>	<b>16,558</b>	<b>2,196</b>	<b>3,808</b>	<b>10</b>	<b>22,572</b>

**Note 18. Other liabilities**

	31/03/14	Change in consolidation scope	Change	Translation gain (loss)	31/03/15
<b>Other non-current liabilities</b>					
Tax and social security liabilities	314	2	(161)	-	156
<i>of which tax liabilities</i>	314	2	(161)	-	156
Other debts	688	-	1,100	-	1,787
<b>Total</b>	<b>1,002</b>	<b>2</b>	<b>939</b>	<b>-</b>	<b>1,943</b>
<b>Current liabilities</b>					
Trade payables and related accounts	5,653	843	356	1	6,852
Tax and social security liabilities	38,388	1,516	1,212	7	41,123
<i>o/w tax liabilities</i>	14,231	978	(960)	3	14,252
<i>o/w social liabilities</i>	24,157	538	2,172	4	26,871
Other current liabilities	6,901	2,037	(653)	26	8,311
<i>o/w suppliers of assets</i>	585	-	(311)	-	274
<i>o/w other debts</i>	3,105	2,015	(271)	26	4,874
<i>o/w prepaid income</i>	3,211	22	(70)	-	3,163
<b>Total</b>	<b>50,942</b>	<b>4,396</b>	<b>915</b>	<b>33</b>	<b>56,286</b>
<b>Total other liabilities</b>	<b>51,943</b>	<b>4,398</b>	<b>1,855</b>	<b>33</b>	<b>58,229</b>

**Note 19. Financial instruments**

Solucom's financial-instrument portfolio is made up of:

- Holdings in money-market mutual funds (SICAVs), all of which are indexed to the EONIA interest rate, and thus free of risk;
- Futures contracts of less than 6 months and, as such, not subject to early-exit penalties;

- Treasury stock;
- Currency futures contracts.

These financial instruments are measured on the basis of the fair value of instruments traded on an active market, in accordance with IFRS 13.

**Note 20. Off balance sheet commitments**

	Total value at 31/03/15	< 1 year	1 ≥ 5 years	> 5 years
<b>Commitments given</b>				
Guarantees and sureties	27	27	-	-
Pledges	18,400	-	18,400	-
Finance lease agreements	11,627	3,473	8,154	-
<b>Total</b>	<b>30,053</b>	<b>3,499</b>	<b>26,554</b>	<b>-</b>
<b>Commitments received</b>				
Guarantees and sureties	74	74	-	-
Undrawn credit lines	9,600	-	9,600	-
Liability guarantees <sup>(1)</sup>	7,087	1,500	2,175	3,412
Financial instruments	418	418	-	-
<b>Total</b>	<b>17,179</b>	<b>1,992</b>	<b>11,775</b>	<b>3,412</b>

(1) Including bank guarantees totalling €1,965k and an escrow account in the amount of €481k (£350k)

Pledges totalling €18,400k relate to Solucom goodwill for branch offices located in Villeurbanne, Aubagne and Nantes. These assets were put up as collateral against lines of credit granted to the Group by its bankers in the initial amount of €16,000k. These commitments mature in 2017.

Solucom received liability guarantees on all company acquisitions carried out in fiscal 2012/13, 2013/14 and 2014/15.

	Total value at 31/03/15	< 1 year	1 ≥ 5 years	> 5 years
<b>Commitments given</b>				
Guarantees and sureties	27	-	27	-
Pledges	18,400	-	18,400	-
Finance lease agreements	12,886	3,747	8,382	758
<b>Total</b>	<b>31,313</b>	<b>3,747</b>	<b>26,809</b>	<b>758</b>
<b>Commitments received</b>				
Guarantees and sureties	73	73	-	-
Undrawn credit lines <sup>(1)</sup>	12,800	-	12,800	-
Liability guarantees <sup>(2)</sup>	7,250	3,950	3,300	-
Financial instruments	274	274	-	-
<b>Total</b>	<b>20,397</b>	<b>4,297</b>	<b>16,100</b>	-

(1) Digressive amount reduced by €3,200k on every anniversary date.

(2) Including bank guarantee in the amount of €2,240k.

## Note 21. Related-party transactions

Solucom did not carry out any material transactions with any third parties that could be considered “related parties” as defined under IAS 24.9.

## Note 22. Post-closure events

### Dividend payout

Solucom submitted the proposal of a total dividend payout of €1,908k (equivalent to €0.39 per share) for shareholder approval at the Annual General Meeting called to approve the Company's financial statements for the fiscal year ended 31/03/15.

### Acquisition of Hapsis assets

On 01/04/15, Solucom acquired a 100% stake in Hapsis.

Founded in 2002, Hapsis is an independent consulting firm with a staff of around thirty employees specialised in risk management and digital security. The company's client portfolio includes several key accounts, operating for the most part in the banking sector.

At 31/03/15, Hapsis reported full-year revenues of €4,300k and an operating profit.

This acquisition was financed exclusively in cash.

The revenue contribution from the assets of Hapsis will be consolidated in Solucom's accounts as of 01/04/15.

**Note 23. Statutory Auditors' fees**

	Mazars / SLG Expertise <sup>(1)</sup>					Deloitte & Associés			
	Amount Mazars 14/15	Amount SLG 14/15	Amount SLG 13/14	% 14/15	% 13/14	Amount 14/15	Amount 13/14	% 14/15	% 13/14
<b>Audit</b>									
Statutory auditor, certification, review of separate and consolidated statements									
> <i>Issuer</i>	76	4	67	100%	100%	104	79	103%	82%
> <i>Fully consolidated subsidiaries</i> <sup>(2)</sup>	-	-	-	0%	0%	-3	17	-3%	18%
Other work and services directly related to the duties of the Statutory Auditor									
> <i>Issuer</i>	-	-	-	0%	0%	-	-	0%	0%
> <i>Fully consolidated subsidiaries</i>	-	-	-	0%	0%	-	-	0%	0%
<b>Subtotal</b>	<b>76</b>	<b>4</b>	<b>67</b>	<b>100%</b>	<b>100%</b>	<b>101</b>	<b>96</b>	<b>100%</b>	<b>100%</b>
Other services rendered via the networks to fully consolidated subsidiaries									
> <i>Legal, tax, corporate</i>	-	-	-	0%	0%	-	-	0%	0%
> <i>Other</i>	-	-	-	0%	0%	-	-	0%	0%
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>0%</b>
<b>Total</b>	<b>76</b>	<b>4</b>	<b>67</b>	<b>0%</b>	<b>100%</b>	<b>101</b>	<b>96</b>	<b>0%</b>	<b>100%</b>

(1) By decision of the Annual General Assembly on 11/07/14, Mazars was appointed Statutory Auditors of the Solucom company to replace SLG Expertise.

(2) Deloitte & Associés was appointed Statutory Auditors of Alturia Consulting as of fiscal year ended 2013/14 but the assets of Alturia Consulting were transferred to the Solucom company on 30/06/14.

**Note 24. Risks**

Details of the Group's risks are presented in the Management Board Report under the section "Risk Factors".

# Statutory Auditors' Report

## on the Consolidated Financial Statements - Fiscal year ended 31/03/15

To the Shareholders,

In accordance with the assignment entrusted to us by your Shareholders' General Meeting, we hereby present our report for the year ended 31/03/15, on:

- the audit of the consolidated financial statements of Solucom, as attached to this report;
- the justification of our appraisals;
- the specific checks required by law.

The consolidated financial statements have been approved by the Management Board. Based on our audit, we have formed the following opinion on these financial statements.

### 1. Opinion on the consolidated financial statements

We have conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the items we have gathered constitute a sufficient and appropriate basis on which to form our opinion.

We hereby certify that the consolidated financial statements for the period give a true and fair view of the assets and liabilities, and the financial situation and results of the Group, in accordance with International Financial Reporting Standards as adopted by the European Union.

### 2. Justification of our appraisals

In application of the provisions of article L.823-9 of the French Commercial Code on the justification of our appraisals, we bring the following to your attention:

- As indicated in section 3.4 "Use of estimations" of Note 3 "Accounting methods and principles", the preparation of financial statements requires the use of estimates and assumptions. As forecasts are by nature uncertain, actual events may sometimes differ significantly from the forecasts or assumptions presented. Such estimates and assumptions

are used primarily in calculating provisions and establishing business plans used to carrying out impairment tests on intangible assets and goodwill as well as for the recognition of deferred tax assets reflecting deferrable tax losses.

Our work involved reviewing the available documentation and assessing the pertinence of such assumptions, the reasonableness of the values adopted and the appropriateness of the disclosures in the Notes to the consolidated financial statements.

- Your company booked net goodwill of €47,998k under assets on the balance sheet, as described in Note 10 of the appendix - "Goodwill booked as balance sheet assets". Your Company has compared the net carrying value of the goodwill against its recoverable value, measured in accordance with the method described in section 3.5 "Business combinations and goodwill" of Note 3 "Accounting methods and principles" of the Notes to the financial statements.

We have reviewed the implementation method for impairment tests, assessed the business forecasts and assumptions used, and verified that they are disclosed appropriately in the Notes to the financial statements. Our work has allowed us to assess the consistency of estimates against assumptions.

The appraisals made were part of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to forming our opinion expressed in the first part of this report.

### 3. Special check

In accordance with the professional standards applicable in France, we also carried out the specific check required by law on the information presented in the Group's management report.

We have no observations to make on its fair presentation and consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, 2 June 2015

The Statutory Auditors

**Deloitte & Associés**

Dominique Laurent

**Mazars**

Christine Dubus

## Company financial statements

### at 31/03/15

#### Income Statement

(in thousands of euros)	31/03/15	31/03/14
<b>Revenue</b>	<b>152,910</b>	<b>130,227</b>
Operating subsidies	9	2
Reversals on provisions, impairment and transfers of expenses	959	983
Other operating income	1,020	1,186
<b>Total operating income</b>	<b>154,898</b>	<b>132,398</b>
Cost of sales	8,858	7,595
Personnel expense	104,580	87,122
Other operating expenses	16,856	14,984
Levies and taxes	4,118	3,749
Depreciation allowances, impairment and provisions	1,989	1,867
<b>Total operating expenses</b>	<b>136,401</b>	<b>115,317</b>
<b>Operating profit</b>	<b>18,497</b>	<b>17,081</b>
Financial income	355	301
Financial expenses	629	216
<b>Financial profit (loss)</b>	<b>(273)</b>	<b>85</b>
<b>Profit from continuing operations</b>	<b>18,224</b>	<b>17,166</b>
Non-recurring profit (loss)	(208)	(754)
<b>Company profit</b>	<b>18,016</b>	<b>16,412</b>
Equity interests	1,993	1,830
Income tax	3,954	3,740
<b>Net income</b>	<b>12,069</b>	<b>10,841</b>

## Balance sheet

### Assets

(in thousands of euros)	Gross	Depreciation / Impairment	31/03/15 Net	31/03/14 Net
Intangible assets	53,570	12,460	41,109	25,205
Tangible assets	5,221	3,936	1,285	1,686
Financial assets	10,683	46	10,637	22,723
<b>Fixed assets</b>	<b>69,474</b>	<b>16,442</b>	<b>53,032</b>	<b>49,615</b>
Trade receivables and related accounts	51,324	31	51,293	46,441
Other receivables and accruals	9,717	45	9,672	7,279
Trading securities	11,242	0	11,242	9,365
Cash and cash equivalents	12,963	0	12,963	6,210
<b>Current assets</b>	<b>85,245</b>	<b>76</b>	<b>85,169</b>	<b>69,296</b>
<b>Total Assets</b>	<b>154,719</b>	<b>16,518</b>	<b>138,201</b>	<b>118,910</b>

### Liabilities

(in thousands of euros)	31/03/15	31/03/14
Capital	497	497
Additional paid-in capital	11,218	11,218
Reserves and retained earnings	52,244	43,023
Profit	12,069	10,841
<b>Shareholders' equity</b>	<b>76,028</b>	<b>65,579</b>
<b>Provisions</b>	<b>2,632</b>	<b>1,900</b>
Bond borrowing	3,082	3,081
Bank borrowings and debt	7	9
Trade payables and related accounts	6,769	7,826
Other debts and accruals	49,683	40,515
<b>Debts</b>	<b>59,541</b>	<b>51,431</b>
<b>Total liabilities</b>	<b>138,201</b>	<b>118,910</b>

# Notes

## to Solucom's financial statements

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## 1. Overview

Solucom's annual financial statements for the 2014/15 fiscal year cover the 12-month period from 01/04/14 to 31/03/15.

The annual financial statements were approved by the Management Board on 01/06/15.

The financial statements are presented in thousands of euros (€k).

The following Notes and tables are an integral part of the annual financial statements.

## 2. Key events in the fiscal year

### Acquisition of Audisoft Oxéa

On 29/10/14, Solucom acquired a 100% stake in Financière BFC, a financial holding with no business operations which owns 100% of Audisoft Consultants <sup>(1)</sup>.

Founded in 1998, Audisoft Oxéa is a management consulting firm that provides major players in the financial sector with support solutions designed to address the challenges they face in terms of performance, legislation, compliance, internal controls and risk management.

At 31/12/13, Audisoft Oxéa reported full-year revenues of €4,540k and posted a slight operating loss. The company has a staff of 32 employees.

This acquisition was financed exclusively in cash.

### Acquisition of Hudson & Yorke

On 11/02/15, Solucom acquired a 100% stake in the UK-based consulting firm, Hudson & Yorke.

Founded in 2006, Hudson & Yorke is a management consulting company specialised in strategic ICT consultancy. The firm provides support services to clients conducting large-scale ICT sourcing programmes in the UK, Europe and in the Middle East.

At 31/03/14, Hudson & Yorke reported full-year revenues of €3,628k (£3,057k) and posted a slight operating profit. The company has a staff of 18 employees.

This acquisition was financed exclusively in cash.

### Lumens earn-out payments

Following the acquisition of Lumens on 04/12/13, and in accordance with the terms of the acquisition protocol, Solucom will not make the second earn-out payment on the acquisition price of this company.

### Trend earn-out payments

Following the acquisition of Trend on 10/01/14, and in accordance with the terms of the acquisition protocol, Solucom made an earn-out payment on the acquisition price of this company in H1 2015/16.

### Acquisition of the industrial activities of PEA Consulting

On 10/10/14, Solucom acquired the industrial assets of the PEA Consulting agency (part of the Open group since 2012).

With a staff of 12 employees, PEA Consulting provides specialised consultancy services in the field of supply chain performance, Information Systems and risk management. The company's client portfolio includes several key accounts, operating for the most part in the industry and transport sectors.

### Asset transfers

The assets of Alturia Consulting and Eveho, two subsidiaries 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/05/14 by the sole shareholder of the merged companies. These asset transfers were effectively carried out on 30/06/14 at the close of the statutory period of opposition granted to creditors to lodge claims.

The assets of Stance, a subsidiary 100% owned by Solucom, were transferred to the holding company, upon decision made on 27/11/14 by the sole shareholder of the merged company. These asset transfers were effectively carried out on 31/12/14 at the close of the statutory period of opposition granted to creditors to lodge claims.

The assets of Lumens and Trend, two subsidiaries 100% owned by Solucom, were transferred to the holding company, upon decision made on 26/02/15 by the sole shareholder of the merged companies. These asset transfers were effectively carried out on 31/03/15 at the close of the statutory period of opposition granted to creditors to lodge claims.

(1) herein referred to as Audisoft Oxéa.

### 3. Accounting methods and principles

#### 3.1. Accounting framework

The financial statements for the fiscal year ended 2014/15 have been prepared in accordance with Regulation 2014-03 of the ANC (Autorité des Normes Comptables), the French accounting standards board, as well as subsequent ANC recommendations.

#### 3.2. Intangible and tangible assets

Intangible assets are measured at acquisition cost (purchase price plus ancillary expenses, excluding fixed-asset acquisition costs).

Tangible assets (property, plant and equipment) are measured either at acquisition cost (purchase price plus ancillary expenses, excluding fixed-asset acquisition costs) or at production cost.

Depreciation periods applied for tangible-asset acquisitions are as follows:

- Software: 3 - 5 years
- Fixtures and fittings: 6 - 9 years
- Computer hardware: 3 years
- Office furniture: 9 years

Depreciation is calculated using the straight-line method.

#### Goodwill

Goodwill valuations are monitored over time. In the event of long-term impairment, a provision is written for loss in value.

This item also includes technical merger losses (mali technique), which represent the negative goodwill (or "badwill") between the net asset received from the subsidiary transferring all of its assets, and the book value of the investment.

Due to legal and operational restructuring of Solucom's Solutions division (Practices) carried out in recent years, goodwill and badwill can only be monitored globally.

Badwill related to technical merger losses is tested for impairment and, if necessary, provisions are written against further impairment.

#### 3.3. Investments and other equity interests and securities

Gross value equals the acquisition cost excluding ancillary expenses. When the inventory value is less than the gross value, depreciation is booked for the amount of the difference.

#### Equity investments

Equity investments are carried at their historic cost in the balance sheet. At the end of the fiscal year, these are written-down to their value-in-use if this is lower. This is measured using a set of criteria, such as the equity share of the company concerned, its profitability, cash flows and future prospects.

Securities acquisition costs are not capitalised.

#### Treasury stock

Treasury shares are classified as equity instruments and used for:

- External growth operations, as payment, or for exchange purposes to finance acquisitions;
- Liquidity transactions (liquidity contracts);
- Free share allocation programmes.

#### 3.4. Receivables

Receivables are measured at their nominal value. Impairment is recognised when their recoverable value is less than their carrying value.

#### 3.5. Bond redemption premiums

None.

#### 3.6. Foreign currency transactions

Transactions denominated in foreign currencies are converted into euros at the effective exchange rate on the transaction date, or at the guaranteed rate when covered by a currency hedge.

#### 3.7. Retirement benefits

Commitments resulting from defined benefit plans are measured on the basis of the projected unit-credit method by independent actuaries.

These benefits are not recognised but are mentioned under off-balance-sheet commitments.

Retirement benefits are based on the following assumptions:

- Application of the collective bargaining agreement applicable to consulting firms (Syntec 3018)
- High staff turnover
- TGFH 2005 mortality table
- Pay reviews: 2%
- Payroll tax rate: 45%
- Discount rate: 1.14% (reduced from 3% thereby generating an actuarial difference) ·
- Retirement age: 65 yrs
- Voluntary departure.

### 3.8. Regulated provisions

None.

### 3.9. Recognition of revenue and partially completed transactions at the end of the fiscal year

Revenue and profit are determined using the percentage-of-completion method.

Unbilled receivables and deferred income are recognised when invoicing is not in phase with the state of progress of the work.

An additional provision for risk may be written for loss on completion.

### 3.10. Change of method

There was no change in the measurement methods used during the fiscal year.

## 4. Notes relative to certain income-statement and balance-sheet items

### Note 1. Breakdown of revenue

The Solucom company sells only one type of service (advice on management and information systems). In the light of this and given the fact that all of its services are subject to the same risks and generate similar profitability rates, no separate business segments have been identified.

The bulk of Solucom's revenue is generated in France.

### Note 2. Average workforce

	Full-time staff	Backup staff
Managers	1,234	0
Employees, technicians and supervisors	32	0
<b>Total</b>	<b>1,266</b>	<b>0</b>

The average workforce is calculated in terms of Full Time Equivalent (FTE) numbers.

The Competitiveness and Employment Tax Credit (CICE) is recognised as and when the corresponding compensation is expensed. Given the reliability and probability conditions required to obtain the CICE, this tax credit has not been taken into account for long-term deferred compensation.

The CICE is recognised as a deduction applied to personnel expenses.

The recognition of CICE in the income statement led to a reduction in personnel costs of €1,024k over the period.

- CICE impact on compensation paid between April and December 2014: €747k
- CICE impact on compensation paid during the first quarter of 2015: €276k

In keeping with the legislature's objectives, Solucom made use of the Competitiveness and Employment Tax Credit (CICE) to step up efforts carried out by the Company at the commercial level (business engineers and pre-sale expenses) so that it could pursue its expansion and recruit new personnel despite the unfavourable economic environment.

### Note 3. Compensation paid to management and supervisory bodies

	Compensation paid <sup>(1)</sup>
Management Board	433
Supervisory Board	98
<b>Total</b>	<b>531</b>

(1) Excluding mandatory profit-sharing.

The members of the above-mentioned management bodies are not entitled to any pensions or similar benefits for exercising their functions.

No loans or advances were granted by the firm's companies to the members of the Management Board and Supervisory Board

### Note 4. Non-recurring expenses and income

	Value
<b>Non-recurring expenses</b>	
Shortfall on treasury share buybacks	185
Other non-recurring expenses	972
<b>Total</b>	<b>1,157</b>
<b>Non-recurring income</b>	
Gain on treasury share buybacks	126
Other non-recurring income	822
<b>Total</b>	<b>948</b>

The bulk of exceptional income and expenses is related to computer-hardware leaseback operations.

### Note 5. Breakdown of taxes

	Profit before tax	Tax	Profit after tax
Current tax, after profit-sharing	16,231	(5,497)	10,734
Non-recurring			
- of which short term	(208)	40	(168)
- of which long term	0	0	0
Tax credits		1,502	1,502
<b>Net income</b>			<b>12,069</b>

Tax credits mainly concern the research tax credit for 2014 in the amount of €1000k.

**Note 6. Goodwill**

<b>Items received in contribution / merger</b>	<b>Gross value</b>	<b>Net value</b>
Technical merger shortfall	34,661	34,661
Goodwill	15,643	5,450
<b>Total</b>	<b>50,304</b>	<b>40,112</b>
<b>Items acquired</b>		
Goodwill	-	-

In general, technical merger losses are subject to an impairment test which is conducted on the basis of the discounted future cash flow method. The impairment test carried out on technical merger losses in 2014/15 confirmed no impairment over the period.

**Note 7. Fixed assets**

	<b>Gross value at start of period</b>	<b>Increase</b>		<b>Decrease</b>	<b>Gross value at end of period</b>
		<b>Mergers / contributions</b>	<b>Acquisitions</b>		
<b>Intangible assets</b>					
Shortfall on merger	19,575	15,086	-	-	34,661
Goodwill	14,552	1,091	-	-	15,643
Licences and software	2,699	203	318	106	3,114
Intangible assets in construction	309	-	182	339	151
<b>Total</b>	<b>37,135</b>	<b>16,380</b>	<b>500</b>	<b>445</b>	<b>53,570</b>
<b>Property, plant and equipment</b>					
Fixtures and fittings	2,833	1	1	3	2,833
Transport equipment	-	9	-	-	9
Office and computer equipment, furniture	2,391	370	119	501	2,379
Tangible assets in construction	130	-	598	728	-
<b>Total</b>	<b>5,355</b>	<b>380</b>	<b>719</b>	<b>1,232</b>	<b>5,221</b>
<b>Financial assets</b>					
Other investments	20,353	(19,989)	7,308	288	7,385
Other equity securities	1,458	-	2,765	1,843	2,380
Loans and other financial assets	941	20	225	267	918
<b>Total</b>	<b>22,752</b>	<b>(19,969)</b>	<b>10,298</b>	<b>2,398</b>	<b>10,683</b>
<b>Total fixed assets</b>	<b>65,242</b>	<b>(3,209)</b>	<b>11,517</b>	<b>4,075</b>	<b>69,474</b>

The gross value of badwill on technical merger losses and goodwill is detailed in Note 6.

Software expenses include commercial software purchases as well the development expenses activated to develop the

management system used by the company (Activesys), in the amount of €309k.

Reductions in current fixed assets mainly correspond to the activation of the corresponding assets.

## Note 8. Depreciation

	Value at start of period	Increase		Decrease Reversals	Value at end of period
		Mergers / contributions	Appropri.		
<b>Intangible assets</b>					
Shortfall on merger	-	-	-	-	-
Goodwill	3,174	-	-	-	3,174
Licences and software	1,737	184	363	103	2,181
<b>Total</b>	<b>4,910</b>	<b>184</b>	<b>363</b>	<b>103</b>	<b>5,355</b>
<b>Property, plant and equipment</b>					
Fixtures and fittings	1,683	1	243	3	1,924
Transport equipment	-	9	-	-	9
Office and computer equipment, furniture	1,986	354	159	501	1,997
<b>Total</b>	<b>3,669</b>	<b>364</b>	<b>402</b>	<b>504</b>	<b>3,931</b>
<b>Total depreciation</b>	<b>8,579</b>	<b>548</b>	<b>766</b>	<b>607</b>	<b>9,286</b>

All fixed assets are depreciated using the straight-line method.

## Note 9. Treasury shares

	Number of shares				At end of period
	At start of period	Purchased during the period	Sold during the period	Transferred during the period <sup>(1)</sup>	
Treasury shares	61,788	69,717	46,119	10,050	75,336

(1) Including 10,050 free shares.

The gross value of treasury stock held at 31/03/15 totalled €2,380k. This breaks down into treasury shares held for:

- External growth: €1,641k
- Liquidity transactions: €739k
- Free share allocation: €0k

The net value of treasury stock at 31/03/15 totalled €2,380k.

**Note 10. Statement of maturities of trade receivables and payables**

<b>Receivables</b>	<b>Gross value</b>	<b>&lt; 1 year</b>	<b>&gt; 1 year</b>
<b>Of fixed assets</b>			
Other financial assets	949	-	949
<b>Of current assets</b>			
Trade receivables and related accounts	51,324	51,324	-
Social security receivables	177	177	-
Tax receivables	4,566	4,084	482
Firm and associates	2,331	314	2,017
Other debtors	498	498	-
Prepaid expenses	1,533	1,533	-
<b>Total</b>	<b>61,378</b>	<b>57,930</b>	<b>3,449</b>

<b>Debts</b>	<b>Gross value</b>	<b>&lt; 1 year</b>	<b>1 ≥ 5 years</b>	<b>&gt; 5 years</b>
Bond-related debt <sup>(1)</sup>	3,082	82	3,000	-
Bank borrowing and debts ≤ 1 year when set up <sup>(1)</sup>	7	7	-	-
Bank borrowing and debts > 1 year when set up <sup>(1)</sup>	-	-	-	-
Other borrowings and financial debt <sup>(1)</sup>	-	-	-	-
Trade payables and related accounts	6,769	6,769	-	-
Social debts	26,192	26,192	-	-
Tax liabilities	13,560	13,410	151	-
Debts on assets and related accounts	274	274	-	-
Firm and associates	-	-	-	-
Other debts	6,599	4,812	1,787	-
Prepaid income	3,058	3,058	-	-
<b>Total</b>	<b>59,541</b>	<b>54,603</b>	<b>4,938</b>	<b>-</b>

(1) Of which borrowings subscribed during the period: €0k.

Of which borrowings repaid during the period: €0k.

Borrowings are guaranteed by real collateral (see Note on financial commitments).

**Note 11. Items concerning associate companies**

	<u>Amount concerning companies</u>	
	related	with which the related company has a participating interest
<b>Items from sundry balance sheet entries</b>		
Equity interests	7,354	-
Trade receivables and related accounts	365	-
Other receivables	2,331	-
Available cash	-	-
Trade payables and related accounts	322	-
Other debts	27	-
<b>Financial income</b>		
Income from equity interests	-	-
Other financial income	13	-
<b>Financial expenses</b>		
Interest expense	-	-
Other financial expenses	-	-

**Note 12. Receivables**

<b>Receivables included in the following balance sheet items</b>	<b>31/03/15</b>	<b>31/03/14</b>
Trade receivables and related accounts	16,583	14,121
Other receivables	767	356
Cash and cash equivalents	4	2
<b>Total</b>	<b>17,354</b>	<b>14,479</b>

**Note 13. Payables**

<b>Payables included in the following balance sheet items</b>	<b>31/03/15</b>	<b>31/03/14</b>
Bond loans	82	81
Bank borrowings and debt	7	8
Trade payables and related accounts	3,329	3,311
Tax and social security liabilities	21,706	17,563
Other debts	3,944	2,891
<b>Total</b>	<b>29,067</b>	<b>23,854</b>



**Note 14. Deferred income and prepaid expenses**

Deferred income totalling €3,058k relates solely to pre-paid operating income. Deferred expenses totalling €1,533k relate solely to operating expenses.

**Note 15. Measurement differences of marketable securities**

Marketable securities booked as balance-sheet assets are exclusively made up of mutual funds (SICAVs). A comparison of the inventory value and entry reveals a latent capital gain of €4k.

**Note 16. Breakdown of share capital**

<b>Ordinary shares</b>	<b>Number of shares</b>	<b>Nominal value</b> (in euros)	<b>Share capital</b> (in euros)
At 31/03/14	4,966,882	0.10	496,688.20
At 31/03/15	4,966,882	0.10	496,688.20

There were no stock option plans in place at 31/03/15.

**Note 17. Change in shareholders' equity**

	<b>Share capital</b>	<b>Premiums</b>	<b>Reserves and carryforwards</b>	<b>Profit for the year</b>	<b>Total</b>
<b>At 31/03/14</b>	<b>497</b>	<b>11,218</b>	<b>43,023</b>	<b>10,841</b>	<b>65,579</b>
Retained earnings	-	-	9,223	(9,223)	-
Dividends	-	-	(2)	(1,618)	(1,620)
Profit for the year	-	-	-	12,069	12,069
<b>At 31/03/15</b>	<b>497</b>	<b>11,218</b>	<b>52,244</b>	<b>12,069</b>	<b>76,028</b>

**Note 18. Provisions and impairment**

	Value at start of period	Increase		Decrease Reversals	Value at end of period
		Mergers/ contributions	Appr.		
<b>Regulated provisions</b>	-	2	-	2	-
<b>Provisions <sup>(1)</sup></b>					
Disputes	1,193	296	398	527	1,360
Fines and penalties	18	1	-	1	18
Other provisions <sup>(2)</sup>	690	110	853	398	1,254
<b>Total</b>	<b>1,900</b>	<b>407</b>	<b>1,250</b>	<b>925</b>	<b>2,632</b>
<b>Impairment</b>					
Intangible assets	7,019	1	86	1	7,105
Tangible assets	-	6	-	-	5
Equity investments	-	-	-	-	-
Other financial assets	28	19	-	2	46
Trade receivables	53	6	6	34	31
Other impairment	5	4	36	-	45
<b>Total</b>	<b>7,105</b>	<b>35</b>	<b>128</b>	<b>37</b>	<b>7,232</b>
<b>Total</b>	<b>9,005</b>	<b>444</b>	<b>1,379</b>	<b>964</b>	<b>9,864</b>
Of which appropriations and reversals					
- operating			1,223	922	
- financial			32	2	
- non-recurring			123	40	

(1) Provision Writeback of €704k of the provision for risks and liabilities

(2) Mainly a provision for free share allocation.

**Note 19. Increases and decreases in the deferred tax base**

<b>Increase in future tax debt</b>	<b>Value (basic)</b>
Regulated provisions	-
Other	32
<b>Total</b>	<b>33</b>
<hr/>	
<b>Relief on future tax debt</b>	<b>Value (basic)</b>
<b>Provisions not deductible in the year recognised</b>	
Employee shareholding	1,993
Social welfare contributions	68
Participation of employers in construction investments	1
<b>Other</b>	
Trading charges on acquisition of subsidiaries	504
Provision for loss and contingencies	64
Impairment of receivables	17
Unrealised gains on trading securities	4
<b>Total</b>	<b>2,650</b>
<hr/>	
Deferred losses	-
Long-term losses	-

**Note 20. Leases**

	Value when set up	Theoretical depreciation charge		Theoretical net value	Royalties	
		Fiscal year	Cumulative		Fiscal year	Cumulative
Office and computer equipment	1,112	301	522	590	313	546
<hr/>						
	Royalties outstanding			Total	Residual purchase price	Effective value in the fiscal year
	< 1 year	1 ≥ 5 yrs	> 5 yrs			
Office and computer equipment	330	271	-	601	9	313

The information in the above table corresponds to ongoing leases at the end of the period.

**Note 21. Off-balance-sheet commitments**

	Total value	< 1 year	1 ≥ 5 yrs	> 5 yrs
<b>Commitments given</b>				
Guarantees and sureties	27	27	-	-
Pledges <sup>(1)</sup>	18,400	-	18,400	-
Pension commitments	6,731	-	-	6,731
Lease commitments	610	332	278	-
Finance lease agreements <sup>(2)</sup>	11,348	3,280	8,068	-
<b>Total</b>	<b>37,115</b>	<b>3,638</b>	<b>26,746</b>	<b>6,731</b>
<b>Commitments received</b>				
Guarantees and sureties	74	74	-	-
Undrawn credit lines	9,600	-	9,600	-
Liability guarantees <sup>(3)</sup>	7,087	1,500	2,175	3,412
Financial instruments	418	418	-	-
<b>Total</b>	<b>17,179</b>	<b>1,992</b>	<b>11,775</b>	<b>3,412</b>

(1) Pledges relate to collateral put up to cover the opening of lines of credit set up with the Company's banks. These commitments, which mature in 2017, relate to Solucom goodwill on the Company's Villeurbanne, Aubagne and Nantes branch offices.

(2) Future payment commitments consist of contractual rent obligations. For leases, the duration taken into account corresponds to the earliest termination period of the various leases.

(3) Solucom received liabilities guarantees on all company acquisitions carried out during the 2012/13, 2013/14 and 2014/15 fiscal years. These comprised a total of €1,965k in bank guarantees and €481k (£350k) held in an escrow account.

**Note 22. Information on subsidiaries and equity interests**

	Holding (%)	Capital	Other shareholders' equity	Profit reported at end of the fiscal year
<b>Subsidiaries</b>				
<b>SLM Consulting</b>	100	47	(1)	22
Résidence RIBH Angle Bir Anzarane et Caid Achtar Casablanca, Morocco				
<b>Financière BFC</b>	100	2,414	(1,659)	(1,643)
Tour Franklin 100/101, terrasse Boieldieu 92042 Paris La Défense Cedex				
<b>Hudson &amp; Yorke</b>	100	1	2,108	615
Warnford Court 29 Throgmorton Street EC2N 2AT, London, UK				
<b>Equity interests</b>				
None				

<b>Comprehensive information</b>	<b>Gross value of shares</b>	<b>Net value of shares</b>	<b>Advances<sup>(1)</sup> loans and current accounts</b>	<b>Dividends paid</b>
<b>Subsidiaries</b>				
French	598	598	2,017	-
Foreign	6,756	6,756	314	34
<b>Equity interests</b>				
None				

(1) Including advances to subsidiaries within the context of the Company's centralised cash-management strategy.

### Note 23. Related party transactions

<b>Type of transaction</b>	<b>Value of the transaction</b>	<b>Name of the related party</b>	<b>Type of relationship</b>
Expertise in financial policy, development and external growth	25	Michel Dancoisne	Chairman of the Supervisory Board

### Note 24. Post-balance sheet events

#### Dividends

Solucom submitted the proposal of a total dividend payout of €1,908k (equivalent to €0.39 per share) for shareholder approval at the Annual General Meeting called to approve the Company's financial statements for the fiscal year ended 31/03/15.

Founded in 2002, Hapsis is an independent consulting firm with a staff of around thirty employees specialised in risk management and digital security. The company's client portfolio includes several key accounts, operating for the most part in the banking sector.

At 31/03/15, Hapsis reported full-year revenues of €4,300k and an operating profit.

#### Acquisition of Hapsis assets

On 01/04/15, Solucom acquired a 100% stake in Hapsis.

This acquisition was financed exclusively in cash.

## Statutory Auditors' Report

### on the Annual Financial Statements - Fiscal year ended 31/03/15

To the Shareholders,

In accordance with the assignment entrusted to us by your Shareholders' General Meeting, we hereby present our report for the fiscal year ended 31/03/15, on:

- the audit of the annual financial statements of Solucom, as attached to this report;
- the justification of our appraisals;
- the specific checks and information required by law.

The annual financial statements were approved by the Management Board. Based on our audit, we have formed the following opinion on the financial statements.

#### 1. Opinion on the annual financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the annual financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of all financial statements. We believe that the items we have gathered constitute a sufficient and appropriate basis on which to form our opinion.

We certify that the annual financial statements are, with regard to French accounting principles and rules, consistent and fair and present an accurate reflection of the results of operations for the past year, as well as the financial position and the company's assets at the end of the year in review.

#### 2. Justification of our appraisals

In application of the provisions of article L.823-9 of the French Commercial Code on the justification of our appraisals, we bring the following to your attention:

- Section 3.2 "Accounting methods and principles" in the Notes, explains the rules and methods used to measure goodwill. As part of our review of the accounting rules and principles used by your Company, we have verified the appropriateness of the measurement methods mentioned above and the disclosures in the Notes and we have reasonable assurance that they have been applied correctly.

- Investment holdings shown on your Company's balance sheet are valued using the methods presented in Note 3.3 of the Accounting Methods and Principles in the Notes to the annual financial statements. We have assessed the items taken into consideration in calculating net asset value (NAV) and the calculation of provisions for impairment of equity interests, where present. Our work has allowed us to assess the consistency of estimates against assumptions.

The appraisals made were part of our audit of the annual financial statements, taken as a whole, and therefore contributed to forming our opinion expressed in the first part of this report.

#### 3. Specific checks and information

In accordance with the professional standards applicable in France, we also carried out the specific checks required by law.

We have no observation to make on the fairness and consistency with the annual financial statements of the information provided in the management report of the Executive Board and in the documents for shareholders on the financial position and annual financial statements.

In respect of the information provided in application of the provisions of article L.225-102-1 of the French Commercial Code on the compensation and benefits paid to corporate officers and on the commitments made to them, we have verified their consistency with the financial statements and/or with the data used to prepare these financial statements and, where applicable, with the items gathered by your company from the companies controlling or controlled by your company. Based on this work, we certify the accuracy and fair presentation of this information.

In application of the law, we have verified that the various information relating to controlling interests and the identity of the shareholders and the holders of voting rights has been communicated to you in the management report.

Neuilly-sur-Seine and Courbevoie, 2 June 2015

The Statutory Auditors

**Deloitte & Associés**

Dominique Laurent

**Mazars**

Christine Dubus

# Statutory Auditors' Special Report

## on Regulated Agreements and Commitments

To the Shareholders,

As Statutory Auditors of your company, we present to you our report on related-party agreements and commitments.

Our duty is to communicate to you, on the basis of the information provided to us, the main characteristics and terms of the agreements and commitments that we have informed of or that have come to our attention during our work, without being required to offer an opinion on their usefulness or their legitimacy or identify any other agreements or commitments. According to the provisions of Article R.225-58 of the French Commercial Code, it is your duty to assess the benefits of entering into these agreements and commitments when they are submitted for your approval.

It is also our duty, where appropriate, to inform you of the information in article R.225-58 of the French Commercial Code relating to the execution over the past year of the agreements and commitments already approved by the Shareholders' General Meeting.

We carried out the investigations that we considered necessary to comply with the professional guidelines issued by the Compagnie nationale des commissaires aux comptes in respect of this assignment. The guidelines focus on verifying that the information presented is consistent with underlying source documents.

### Agreements and commitments submitted for approval to the Shareholders' General Meeting

#### Agreements and commitments authorised during the past year

We have not been advised of any agreement or commitment authorised during the past year to be submitted for the approval of the Shareholders' General Meeting pursuant to article L.225-86 of the French Commercial Code.

### Agreements and commitments previously approved by the Shareholders' General Meeting

#### Agreements and commitments approved in previous years and still in force

In accordance with Article R.225-57 of the French Commercial Code, we have been informed that the following agreements and commitments approved by a Shareholders' General Meeting in previous years were still in force in the past year.

#### Employment contract with Michel Dancoisne, Chairman of the Supervisory Board

Solucom signed an employment contract for an indefinite period with Michel Dancoisne for his "expertise in financial policy, development and external growth" for 10 hours a week.

As compensation for his services, Michel Dancoisne receives €1,900 gross per month for 13 months a year plus proven business expenses.

For the year ended 31/03/15, Michel Dancoisne received €24,700 gross.

Neuilly-sur-Seine and Courbevoie, 2 June 2015

The Statutory Auditors

**Deloitte & Associés**

Dominique Laurent

**Mazars**

Christine Dubus

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# Corporate governance

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## Report of the Chairman of the Supervisory Board

on the manner in which the work of the Board was prepared and organised, and on internal-control and risk-management procedures

To the shareholders,

In accordance with Article L.225-68 of the French Commercial Code, as Chairman of the Supervisory Board, I have the honour of presenting this report on the manner in which the work of the Board was prepared and organised, and on the internal-control and risk-management procedures put in place by your Company. This report was approved by the Supervisory Board at its meeting on 01/06/15.

This report is a vehicle enabling the Board to report on its supervisory mission to Company shareholders.

The Statutory Auditors of your Company will disclose, in a separate report attached to their main report on the annual financial statements, their observations on the internal-control procedures relating to the preparation and processing of accounting and financial information, as well as their certification that the present report contains the additional information required pursuant to Article L.225-68 of the French Commercial Code.

### 1. Conditions governing the preparation and organisation of the work carried out by the Supervisory Board

#### 1.1. General organisation and composition of management and control bodies

As a reminder, Solucom adopted a two-tier corporate-governance structure comprising a Management Board and a Supervisory Board on 30/09/02. The Board of Directors that submitted this change for shareholder approval at the General Meeting believed it was in the best interests of Solucom to separate the Company's management and its control functions. Past experience showed that a dual-board structure (comprising a Management Board and a Supervisory Board) was, by far, the best way to achieve this.

The separation of the Company's management and control functions, together with the appointment of independent members to sit on the Supervisory Board also underscored Solucom's resolve to comply with best practices in corporate governance.

#### Members of the Supervisory Board

The members of the Supervisory Board include:

- Michel Dancoisne: Chairman;
- Jean-François Perret: Vice-Chairman;
- Marie-Ange Verdickt: member;
- Nathalie Wright: member.

Mrs Nathalie Wright was appointed member of the Supervisory Board by the Shareholders' General Meeting on 11/07/14.

The mandates of Jean-Claude Malraison and Jacques Pansard expired at the same Shareholders' General Meeting and were not renewed.

The mandates of Michel Dancoisne and Jean-François Perret were renewed at the same Shareholders' General Meeting.

The members of the Supervisory Board were chosen for their multidisciplinary skills and expertise, as attested to by their biographies presented below.

#### Censor

Ms Sarah Lamigeon was appointed censor by the Shareholders' General Meeting on 11/07/14.

Censors participate in Supervisory Board and Audit Committee meetings in an advisory capacity.

The Management Board proposed the appointment of Ms Sarah Lamigeon as censor to the Supervisory Board with the intention of putting her forward the following year as a candidate to become a member of the Supervisory Board.

Company management decided not to submit the proposal for her appointment as a new member of the Supervisory Board at the 11/07/14 Annual General Meeting so as to avoid having four mandates coming up for renewal on the same date.

Her appointment as censor enabled the Supervisory Board to maintain the strong team spirit and lively debate within the Board.

#### Biographies of the members of the Supervisory Board

##### Michel Dancoisne



Born on 13/03/47, Michel Dancoisne graduated from the *Institut Supérieur d'Électronique du Nord, France* (Higher Institute for Electronics) and obtained an Executive MBA from the HEC business school. In 1971, he joined Télésystèmes, a subsidiary of France Telecom, as a technical/sales engineer then went on, in 1974, to become a sales engineer at CII-Honeywell Bull. In 1979, he participated in the creation of the Questel (database server) business at Télésystèmes, initially in charge of commercial operations and then went on to head up general management. In 1985, he became Director of the Networks Division and a member of the Télésystèmes Executive Committee. In 1990, he co-founded Solucom, which he co-chaired until his appointment as Chairman of the Supervisory Board in 2002.

**Jean-François Perret**



Born on 05/06/42, Jean-François Perret graduated from the Higher National School for Electronics, Computer Science, Telecommunications, Mathematics and Mechanics of Toulouse (*École Nationale Supérieure d'Électronique, Électrotechnique, Informatique, Hydraulique et Télécommunications - ENSEEIHT*) and from IAE, the Business Administration Institute in Paris. In 1967, he joined SAT (*Société Anonyme de Télécommunications*) as a Design Engineer then went on two years later to become a business engineer at ELECMA (the electronics division of SNECMA).

In 1970, he was appointed head of Information Technology Development attached to the Prime Minister's office and participated in a research group carrying out studies related to the emergence of the software industry and strategic planning aimed at creating a European information technology industry (UNIDATA). In 1974, he became Director of Economic and Financial Affairs of the Department of Electronic and Information Technology Industries (DIELI) at the Ministry of Industry.

In 1977, he joined Pierre Audoin Consultants (PAC) where he pursued his career as Deputy CEO, then CEO and ultimately Chairman of the Management Board. During his term of office, he helped establish PAC as a recognised leader in the consulting sector, as well as the strategic and marketing research segments of the software and IT services markets. He also played a key role in PAC's international development and in the June 2014 merger of PAC and CXP. Jean-François Perret is currently Vice-Chairman of the Supervisory Board of the CXP Group and manager of CVMP Conseil. He is also very active in the engineering community and chairs the Industrial Data Committees at IESF (French Association of Engineers and Scientists), as well as the Institut G9 + think tank, and the ENSEEIHT association of engineers.

**Marie-Ange Verdickt**



Born on 24/10/62, Marie-Ange Verdickt graduated from the *École Supérieure de Commerce* business school in Bordeaux and is a member of the French Society of Financial Analysts (SFAF). After starting out as an auditor at Deloitte-Touche in 1984, she became a management controller for the Wang computer group in 1987. She moved to Euronext in 1990 initially as a financial analyst before becoming head of financial analysis, working notably on IPO and financial transactions on listed companies. In 1998, she

joined *Financière de l'Échiquier* as an equity fund manager specialised in French and European mid-cap stocks then became director of Research and SRI (Socially Responsible Investment) in 2008. She currently serves as a Director on the Boards of Directors of ABC Arbitrage and Interparfums and is a member of the Supervisory Board of the CapHorn Invest private equity fund. In addition, she participates in the Investment Committee of the *Fondation des Petits frères des Pauvres* and is a member of the Ashoka Support Network dedicated to the development of social entrepreneurship.

**Nathalie Wright**



Born on 11/08/64, Nathalie Wright graduated from the European Institute of Business Administration (INSEAD) and the Paris Institute of Business Administration and holds a Masters in Economics from Université Paris II. She began her professional career in 1987 at Digital Equipment France where she became head of management control in 1993. In 1995, she joined Newbridge Networks and became a member of the Executive Committee. From 1999 to 2004, she worked at MCI (Worldcom) where she worked her way up to the position of Country Leader in charge of French sales. In 2004, she moved to EASYNET France, and then to AT&T where she served as Vice-President for French, Southern European and Middle Eastern operations between 2005 and 2009. In 2009, she joined Microsoft France where she became a member of the Executive Committee. Since 2011, she has been a Director of the Public Sector Division (France) and General Manager of the Large Enterprises and Alliances Division of Microsoft France. Nathalie Wright also runs the "diversity" pilot programme at Microsoft France, which notably promotes career enhancement and prospects for woman. Nathalie Wright is also a member of the Board of Directors of Indexel and a *Chevalier de la Légion d'Honneur*.

**Biography of the Supervisory Board censor**

**Sarah Lamigeon**



Born on 08/05/72, Sarah Lamigeon holds a degree in Economic Sciences and a Masters degree in European Studies from the College of Europe in Belgium. Sarah began her professional career in 1997, working as a Project Manager for the Erasmus Technical Assistance Office at the European Commission in Brussels. In 2000, she moved to London to join the communications department of Future PLC, a media group listed on the

London Stock Exchange. A year later, she joined Solucom to develop the Company's communications strategy and was appointed Communications Director and a member of Solucom's Executive Committee in 2011. As Director of Communications, she is responsible for developing Solucom's image and reputation. Ms Lamigeon and her teams are also in charge of Solucom's corporate image and reputation and involved in financial communication, recruitment communication and internal communication at Solucom.

### Biographies of the members of the Supervisory Board

The biographies of the members of the Supervisory, plus the dates of their appointment and mandate renewal are given in the Report of the Chairman of the Management Board.

### Term of office

Supervisory Board members are appointed for a term of four years.

The results of this review are given in the table below:

MiddleNext independence criteria	Neither a (former) employee nor a (former) corporate officer	Neither a client, nor a supplier or a banker	Not a major shareholder	No family ties with another corporate officer or reference shareholder	Not a former auditor
Michel Dancoisne	O	X	O	X	X
Jean-François Perret	X	X	X	X	X
Marie-Ange Verdickt	X	X	X	X	X
Nathalie Wright	X	X	X	X	X

O : Independence criterion not respected

X : Independence criterion respected

The Supervisory Board concluded that three of its four members (equivalent to 75% of the Board members) can be considered independent, namely: Jean-François Perret, Marie-Ange Verdickt and Nathalie Wright.

In addition, the Supervisory Board met on 01/06/15 to examine the independent-director status of the new candidate members to be proposed for appointment at the AGM on 22/07/15. After review, the Board concluded that Sarah Lamigeon did not qualify for independent-director status but that Rafaël Vivier did.

### Balanced gender representation on the Supervisory Board

The Supervisory Board currently comprises two men and two women. This corresponds to 50/50 gender representation on the Board, in line with statutory obligations specifying that both genders must represent at least 20% each of the Board members at all General Meetings held after 01/01/14.

### Obligation to hold Solucom shares

Supervisory Board members are legally obliged to own at least 500 registered Solucom shares each, which must be acquired within the twelve-month period from the date they take up their functions.

### Independent members of the Supervisory Board

At the meeting convened on 27/01/15, the Supervisory Board reviewed the independence of all of its members on the basis of the criteria defined by the MiddleNext Governance Code for small and mid caps published in December 2009. The director-independence qualification criteria given in this code stipulate the absence of any significant financial, contractual or family relationships likely to impair the independence of board members' judgement.

### Members of the Management Board

The members of the Management Board include:

- Pascal Imbert: Chairman;
- Patrick Hirigoyen: member.

### Biographies of the members of the Management Board

#### Pascal Imbert



Born on 12/08/58, Pascal Imbert is a graduate of the *École Polytechnique et de Télécom ParisTech* (the Paris Institute of Science and Technology).

He began his career with the computer services company Télésystèmes in 1980, where he worked on a variety of projects related to the launch of the Télétel service in France, before taking on management responsibilities. In 1988, he joined Cirel Systems, a manufacturer of telecoms products, where

he became Deputy CEO and developed a new generation of telecommunications products.

In 1990, he co-founded Solucom with Michel Dancoisne, with whom he oversaw the development of the Company for a period of 12 years. In 2002, he became Chairman of the Company's Management Board and Michel Dancoisne the Chairman of the Supervisory Board.

From May 2010 to June 2014, he served as Chairman of MiddleNext, the French association representing listed SMEs and midcaps, and has been a Director of the company Axway since April 2011.

#### Patrick Hirigoyen



Born on 06/08/63, Patrick Hirigoyen holds an engineering degree from the *École Nationale Supérieure des Télécoms de Bretagne* (Higher National School of Telecommunications) and has extensive experience in the field of computer services. He began his career working as a business engineer with INFI, a software and computing services company specialised in new technologies. He joined Solucom in 1993, where as a Director of Sales, he developed the sales division before being appointed Chief Operating Officer and member of the Management Board in September 2002.

#### Mandates and duties of the members of the Management Board

Details of the mandates and functions exercised by the members of the Management Board are given in the Management Board Report delivered to the General Meeting.

##### 1.2. Preparation and organisation of work

#### The functioning and work carried out by the Supervisory Board

The Supervisory Board ensures the permanent monitoring of the management of the Company by the Management Board.

The Supervisory Board may conduct as many audits and controls it considers opportune at any time during the year and may request the Management Board to provide the documents it considers necessary to carry out its mission. Moreover, at any time during the course of business between Board meetings, it may ask to receive any information considered pertinent or vital, notably in the form of financial analysis reports.

During the fiscal year ended 31/03/15, the Supervisory Board met six times (02/06/14, 28/07/14, 29/09/14, 24/11/14,

27/01/15 and 09/03/15) with an attendance rate of 100%. The Supervisory Board meeting schedule is determined every time the Supervisory Board meets; dates are set for at least the next two meetings over a maximum period of 12 months.

The censor is present at all Supervisory Board meetings.

Meetings are convened by electronic mail and by post approximately one week ahead of the scheduled date. The Supervisory Board agenda is always sent with the notice of meeting. Interim and full-year financial statements are communicated to Board members for review approximately one week before Board meetings. Works Council representatives on the Supervisory Board are invited to all Supervisory Board meetings.

The Statutory Auditors are invited to Management Board and Supervisory Board meetings called to approve the Company's interim and annual financial statements. The items dealt with by the Supervisory Board during the fiscal year ended 31/03/15 included:

- the review, verification and audit of full-year company and consolidated financial statements and the report of the Management Board;
- the review, verification and audit of interim company and consolidated financial statements and the report of the Management Board;
- management forecasts, presented by the Management Board;
- Management Board presentation of the action plan and budget for fiscal year 2014/15, including the Solucom's external growth strategy and approval of this strategy;
- consideration, preparation and drawing up of the 2020 strategic plan;
- reviews of Management Board quarterly reports;
- corporate-officer compensation;
- review circumstances pertaining to the independent status of Supervisory Board members;
- review compliance with the MiddleNext Governance Code (recommendations and points requiring vigilance);
- Solucom's gender equality policy on careers and pay;
- the Company's corporate social responsibility (CSR) strategy;
- review of the internal-control and risk-management procedures in force in the Company;
- self-assessment of the functioning and work of the Supervisory Board.

The Management Board may attend all or a part of the Supervisory Board meetings, at the discretion of the Supervisory Board.

Management Board representatives do not participate in corporate-officer compensation reviews.

Draft minutes of Supervisory Board meetings are sent to all members for approval before signature, which is generally given at the next Supervisory Board meeting.

### **Assessment of the functioning and work of the Supervisory Board**

Every year, the Supervisory Board performs a self-assessment survey to assess its functioning and the work it carries out. This assessment is formalised every three years.

On 18/03/13, the Supervisory Board carried out a formalised assessment to:

- Review the Supervisory Board's operating procedures;
- Verify that key issues are adequately prepared and discussed;
- Review the composition of the Supervisory Board and the contributions of its members.

To achieve this, a questionnaire was sent to the Supervisory Board members so that they could express their opinions and make suggestions. The findings and conclusions of these self-assessments were discussed at the Supervisory Board meeting on 18/03/13.

The Supervisory Board meeting of 09/03/15 reported on the implementation of the improvement points identified.

### **Committees**

The Supervisory Board as a whole also functions as the Audit Committee.

It was formally noted that, given their professional experience, Marie-Ange Verdickt and Jean-François Perret fulfil the criteria regarding independent-director status and accounting and financial expertise.

For its functioning and the work it carries out, the Audit Committee follows the AMF working group recommendations for audit committees.

Audit Committee meetings are held separately from Supervisory Board meetings and are chaired by the Chairman of the Supervisory Board who is not an executive member.

The Management Board may attend all or a part of Audit Committee meetings, at the discretion of the Audit Committee.

Statutory Auditors' reports on the interim and annual company and consolidated financial statements, a review of their independent status and proposals for mandate renewal of Directors are discussed without the presence of the Management Board.

Minutes of every Audit Committee meetings are drawn up and reported in a specific section of the Supervisory Board minutes.

During the fiscal year ended 31/03/15, the Audit Committee met three times on: 02/06/14, 24/11/14 and 27/01/15.

The main points reviewed by the Audit Committee included:

- review and verification of the annual and consolidated financial statements for the fiscal year ended 31/03/14 presented and approved by the Management Board; Chief Financial Officer and Statutory Auditors reports; Review of additional reports and documents drafted by the Management Board for the Shareholders' General Meeting; Review, verification and audit of the annual financial report prepared by the Management Board;
- review of the Report of the Chairman of the Supervisory Board on internal-control and risk-management procedures;
- review of Statutory Auditor independence;
- review and verification of the interim financial statements approved by the Management Board; Review, verification and audit of the interim financial report prepared by the Management Board; Chief Financial Officer and Statutory Auditors reports;
- review and monitoring of the internal multi-year audit plan and the Company's internal-control and risk management procedures in force. The general framework of these procedures is reviewed every year to ensure their effectiveness. This is notably achieved by way of risk mapping, as well as by carrying out an in-depth review of the procedures concerning one or more risks in particular, and checking to ensure that the appropriate procedures and control measures are in place. In the event of failure or malfunction, the Audit Committee asks the Company to take the necessary corrective measures.

### **Internal rules**

Solucom's internal rules governing the Supervisory Board's operating procedures cover the following aspects as comprehensively as possible.

### **Role of the Supervisory Board**

- to perform its general role of exercising permanent controls;
- to verify the proper exercise of executive powers;
- to limit the powers of the Management Board.

### **Composition of the Supervisory Board and independence criteria of its members**

- conditions for appointment of members to the Supervisory Board;
- independence of Supervisory Board members.

### **Duties of Supervisory Board members**

- loyalty and compliance with laws and Articles of Association;
- confidentiality;
- assiduity;



- rules concerning trading in Company securities, including privileged information;
- disclosure of conflicts of interest and duty to abstain.

### **Functioning of the Supervisory Board**

- frequency of Board meetings;
- convocation of Board members;
- information about Board members;
- recourse to video-conferencing or other means of telecommunication;
- deliberations of the Supervisory Board;
- assessment of the work carried out by the Board;
- audit Committee;
- censors.

### **Rules for determining the compensation of Supervisory Board members**

The internal set of rules are available in full on the Company's website: [www.solucom.fr](http://www.solucom.fr).

### **Principles governing corporate-officer compensation**

As regards compensation paid to corporate officers, Solucom complies with the recommendations of the MiddleNext Corporate Governance Code. Accordingly, the principles applied to Solucom corporate-officer compensation meet the criteria regarding completeness, balance, benchmark, consistency, clarity, measurement and transparency.

Director attendance fees are distributed once a year at the Board meeting following the Shareholders' General Meeting. Compensation paid to the Chairman of the Supervisory Board and the Chairman of the Management Board is also reviewed once a year by the Supervisory Board, at the meeting called to review the budget.

Supervisory Board members other than the Chairman receive attendance fees once a year. The total annual amount of attendance fees is voted by the Shareholder's General Meeting. The amount paid to each Supervisory Board member is calculated on the level of his or her assiduity.

The Chairman of the Supervisory Board receives a fixed compensation for fulfilling his executive mandate as well as a fixed compensation under an employment contract for exercising his function as a consulting expert on financial, development and external growth policies. The amount of compensation awarded to the Chairman for fulfilling his executive mandate is fixed once a year by the Supervisory Board. The Board also decides whether or not to maintain the authorisation of the regulated agreement concerning his employment contract.

As compensation for exercising his executive mandate, the Chairman of the Management Board receives a fixed component, plus a variable component based exclusively on a set of quantitative criteria relating to the achievement of a set of predetermined budgetary targets. The level of compensation is set by the Supervisory Board when it meets to review the presentation of the budget which serves as the basis for defining the budgetary objectives for the variable component.

The other member of the Management Board receives a fixed compensation for exercising his executive mandate, plus compensation under his employment contract as Chief Operating Officer. His COO compensation comprises a fixed component, plus a variable component based exclusively on a set of quantitative criteria relating to the achievement of a set of predetermined budgetary targets. He is also the beneficiary of two free share allocation plans dated 15/09/06 and 15/10/10 respectively, subject to his continued presence in the Company, his personal investment in Solucom shares and that he meet a set of performance criteria. The level of compensation awarded to the COO for exercising his executive mandate is set by the Supervisory Board when it meets to review the presentation of the budget, at which time the Board is also informed of all the other components of his compensation.

Corporate officers do not receive any benefits in kind or arrival/departure bonuses. Nor do they receive any variable component linked to social and environmental responsibility and do not benefit from any supplementary pension scheme.

### **Terms and conditions for shareholder participation in General Meetings**

The terms and conditions for shareholder participation in General Meetings are described in Articles 24 to 33 of the Articles of Association.

### **Factors likely to have an impact in the event of a public offering**

These factors are detailed in the Management Board Report to the General Meeting.

## **2. Internal-control and risk-management procedures**

### **2.1. General framework**

In accordance with the provisions laid down in the French Commercial Code for companies making a public offering, the AMF published a reference framework for internal controls in 2007, applicable to fiscal years starting on or after 01/01/07.

This reference framework specifies that all companies are responsible for their own organisation and consequently their own internal controls. As such, the framework is not intended to be binding on companies but rather to serve as a guide to help them monitor and, if necessary, develop their internal control procedures without imposing any directives as to how these should be organised.

In January 2008, the AMF, having decided that this reference framework should take greater account of the specific characteristics of small and mid-cap companies, drafted an implementation guide specifically dedicated to SMEs.

In July 2010, the AMF updated its SME internal-controls reference framework, notably to include a section on risk management, following the transposition into French law of European Directives imposing new obligations on listed companies, particularly regarding the duties of Audit Committees.

In January 2015, the AMF published recommendation n° 2015-01 related to the presentation of the Chairman's report, the description of internal-control procedures and objectives, risks and risk factors.

The present report was drafted on the basis of this reference framework and its applicability to Solucom, as well as on interviews carried out with the Chairman of the Supervisory Board and the Chief Financial Officer, a review of the Company's internal documents, and meetings with the Statutory Auditors. This report was approved by the Supervisory Board at its meeting of 01/06/15.

## 2.2. Principles

Risk-management and internal-control procedures play a complementary role in the management of the Company's activities.

By contributing towards preventing and controlling the risk of failing to achieve the objectives set by the Company, these risk-management and internal-control procedures are key factors underpinning the efficient operation and monitoring of the Company's activities. Nevertheless, neither risk management nor internal control can offer an absolute guarantee that these objectives will be achieved.

### Risk management

Risk management is a subject which involves everyone in the Company. Solucom's comprehensive risk-management strategy is designed specifically to cover all of the Company's activities, processes and assets.

Risk management is a dynamic process, defined and managed by the Company itself.

Risk-management measures, conduct, procedures and actions are adapted to the specific characteristics of each company within the Group. In this way, Management can keep risks at an acceptable level for the Company.

Risk exists when there is a possibility of an event occurring which could have an adverse impact on people, assets, the environment, the Company's objectives or its reputation.

Risk management is a lever that helps Solucom to:

- create and preserve the Company's value, assets and reputation;
- secure the Company's decision-making process and procedures to facilitate the achievement of goals;
- ensure that actions carried out are consistent with the values of the Company;
- mobilise employees around a common vision of the key risks and raise staff awareness to the risks inherent in activities they carry out.

### Internal controls

Solucom's global internal-controls mechanism, defined and implemented under the responsibility of each company within the Group, comprises a set of means, procedures and actions which:

- contribute to controlling the Company's activities, as well as the effectiveness of its operations and the efficient use of resources;
- enable the Company to control the significant risks it faces, at the operating, financial and legal levels.

Solucom's internal-control system is designed to ensure:

- compliance with the applicable regulations in force;
- the correct application of instructions and guidelines set by the Management Board;
- the proper functioning of Solucom's internal processes, notably those safeguarding its assets;
- the reliability of financial information.

### 2.3. Scope

For the record, the Solucom group comprises the Solucom parent company and four subsidiaries, all of which are 100% controlled by the firm: Financière BFC, Audisoft Oxéa, Hudson & Yorke and SLM Consulting (Solucom's Moroccan subsidiary).

At the operating level, the Group's offering is organised around a set of Practices representing the Company's main areas of expertise.

Lumens Consultants, Trend Consultants and SLM Consulting have now been integrated into this operational structure, Financière BFC, Audisoft Oxéa and Hudson & Yorke, however, have yet to be integrated into the Group. These companies



are still operating as independent entities, under the control of Solucom's Management Board.

The Company has implemented internal-control and risk-management procedures adapted to its situation.

- The procedures used for the preparation and processing of accounting and financial information are standardised throughout the Group.
- Risk-management procedures notably concerning the monitoring of operational activities, have now been extended across all entities in the Group in that monitoring has been uniformly applied to all of Solucom's Practices.
  - For the recently acquired subsidiaries, Solucom's risk-management procedures will be rolled out gradually, since risk management is still the remit of the general management bodies of each company until the integration process has been completed.
  - During the integration period, General Management ensures that the risk management procedures of these subsidiaries are carried out efficiently.
  - Given the small size and specific characteristics of the Moroccan subsidiary, risk management is dealt with directly by the firm's own management team.

**2.4. Components of the risk-management system**

Solucom's risk management procedures include:

- Risk identification:
  - Individual interviews carried out by the Chief Financial Officer with the managers in charge of the Company's major risks.
  - Proposed changes in risk mapping submitted to the Executive Committee by the internal-audit and risk-management steering committee.
  - Annual updates made by the Executive Committee, before presentation to the Audit Committee
- Risk analysis
  - Review potential consequences of the main risks and assess their probability of occurrence.
- Risk resolution
  - Select the most appropriate risk prevention and/or resolution solutions for the Company.

The structure implemented within the Group and the regular monitoring of internal-control and risk-management procedures should enable the continuous improvement of the system in place. The objective here is to identify and analyse the main risks and to draw lessons from risks that occurred in the past.

Solucom's Management Board defines the main guidelines for the Group's internal-control and risk-management procedures.

The steering committee then approves the associated rules of conduct and determines their scope.

Once approved, these procedures are communicated to the teams responsible for their implementation.

Internal-control and risk-management procedures are adapted to accommodate the specific characteristics of each company and provide:

- a structure with clearly defined responsibilities and based on the appropriate information systems, tools and practices;
- an inventory of the main identifiable risks;
- the internal circulation of relevant and reliable information, primarily via the Company's information system which collates the formalised procedures designed to detect and prevent the major operating and financial risks.

Internal audits are carried out at the consolidated level to verify that the Company's internal-control procedures are relevant and are being correctly implemented by all entities in the Group.

These activities also contribute towards identifying and resolving Company risks.

A 3-year internal-audit plan was rolled out in December 2013 under the aegis of the Chief Financial Officer. This plan covers:

- all Company processes eligible for auditing due to their nature, the special characteristics of these processes, and/or the risks they cover;
- all Group companies acquired more than 12 months ago.

A process audit involves:

- identifying the key stages of the process and analysing how they function;
- identifying the risks of malfunction attached to each stage;
- identifying the controls in place for each stage;
- carrying out an audit of controls;
- making recommendations and carrying out actions to correct identified internal-control failure.

**2.5. The players**

**The Supervisory Board**

Every year, the Management Board reports to the Supervisory Board on the key characteristics of the Company's internal-control and risk-management system.

The Supervisory Board's risk monitoring scope is extensive, covering strategic, operational and accounting risks, as well as financial risks for which the Board relies on the work of the Audit Committee.

Whenever necessary, the Supervisory Board can exercise its general powers to carry out the checks and verifications it considers appropriate or take any other actions it deems necessary.

### **The Audit Committee**

The Supervisory Board may decide to create an ad hoc Audit sub-committee or use their own members to constitute an Audit Committee. Solucom has chosen the latter option.

The Audit Committee includes at least one independent member with special accounting and/or financial skills.

The Audit Committee meets at least twice a year at meetings held by the Supervisory Board to review the Group's interim and annual financial statements.

The Audit Committee is responsible for monitoring:

- the process of preparing financial information;
- the efficiency of internal-control and risk-management procedures;
- the independent auditing of the annual and consolidated financial statements by the statutory auditors;
- the independence of the Group's statutory auditors.

Auditing activities carried out by the Supervisory Board primarily concern accounting and financial risks.

The general framework of internal-control and risk-management procedures is subject to annual Audit Committee controls to ensure its efficiency. This is notably achieved by way of risk mapping, carrying out an in-depth review of the procedures concerning one or more risks in particular, and checking to ensure that the appropriate procedures and control measures are in place.

In the event of failure or malfunction, the Audit Committee requests that the Company take the necessary corrective measures to rectify the situation.

### **The Management Board and the Executive Committee**

The role of the Management Board is to define, implement and monitor the system that is best adapted to Solucom's situation and activity. Management is regularly informed of any inadequacies in the system and, if necessary, refers these to the Supervisory Board.

The Executive Committee comprises the members of the Company's Management Board, as well as the Directors of Operations in charge of Company Practices and business development, and the Directors of Support Functions. The Executive Committee sets the objectives for the Company's operational activities and monitors their progress, and issues formal monthly reports. The Executive Committee sets the objectives for, and monitors the Company's operational activities and reports the stage of progress by way of monthly reports.

### **The internal audit and risk management steering committee**

This Committee, which comprises the Chairman of the Management Board, the Chief Financial Officer, the Financial Operations Manager and the Director of Operations, monitors the implementation of the Company's internal-audit and risk-management procedures. Its mission is to:

- supervise the implementation of the internal audit plan;
- approve the recommendations and corrective actions implemented as a result of the audits carried out;
- supervise the implementation of the recommendations and corrective actions;
- approve audit reports;
- propose audits on request;
- propose annual risk-map updates.

### **The Finance Department**

The Finance Department supervises the production of the accounting and financial data of Solucom and the entities within the Group.

It oversees the preparation of management data and indicators supplied to the Directors of Operations and the Group's Executive Committee.

Accounting functions are performed by the Group's centralised accounting department. Additional support is provided by an external accounting agency which produces separate financial statements for the Solucom company and its French subsidiaries, as well as the Group's consolidated financial statements. The external accounting agency also verifies the coherence and production of the financial statements of SLM Consulting and Hudson & Yorke.

At present, Solucom's finance department compiles and/or consolidates all the internal procedures in force within the Group.

Strictly speaking, the Group does not have a risk manager or an internal audit department.

These functions are carried out by the Manager of Financial Operations attached to the finance department, who is in charge of implementing internal-control and risk-management procedures as defined by the Management Board.

The role of the Financial Operations manager is specifically to:

- recommend risk-map updates to the internal-audit and risk-management steering committee based on interviews carried out with the heads of the Company's main risk areas;
- monitor the production of written procedures available in the Company's central information repository;

- organise and oversee internal audit activities;
- present the results of audits, as well as recommendations and corrective actions to the internal-audit and risk-management steering committee.

### Company employees

The Group's central information repository containing all the applicable procedures is accessible to all staff members via the Comm'unilink intranet portal.

This platform also provides employees with all the information they need to implement internal-control and risk-management procedures to carry out, at their particular level, the objects assigned to them.

They are not, however, responsible for monitoring the efficient implementation of the system.

Within the context of internal audit activities, internal resources are mobilised on a case-by-case basis to conduct internal audits.

### The Statutory Auditors

Within the context of their statutory mission, statutory auditors are not involved in internal-control and risk-management procedures. They learn about these procedures via internal audits, if carried out, so that they can obtain a better understanding and formulate an opinion about the appropriateness of this work in a completely independent manner.

They certify the financial statements; a process which may reveal major risks and weaknesses related to the Company's internal controls that could have a significant impact on the accounting and financial information. Statutory auditors submit their observations on the Chairman's Report and the internal-control procedures relative to the preparation and processing of accounting and financial information, and certify that all other information has been prepared and presented as required by law.

## 2.6. Procedures relating to the preparation and processing of accounting and financial information

The internal-control and risk-management procedures related to accounting and financial operations are applicable in all aspects of the Group's business.

Formalised processes and procedures are available in the Group's central information repository and excerpts of these are published on the Company's intranet portal.

### Preparation of provisional budgets

Full-year and monthly budgets are drawn up by the Group subsidiaries and at the consolidated level at the beginning of every fiscal year. Budget reviews are conducted in December, upon approval of the interim financial statements. When completed, the budget is submitted to the Supervisory Board for approval.

### Business management

In Solucom's sector of activity, business management is essential for monitoring revenue-performance trends. To this end, in 2013 the Company began to roll out ActiveSys, an open source ERP business management software tool.

This software programme includes the following functionalities:

- account management and order registration;
- a monthly tracking function to record time spent;
- revised monthly estimates (provisional expenses and schedules determined by the project manager);
- invoicing.

The software programme is accessible, via intranet and extranet, to all staff members with individual employee access limited to their respective of responsibility. All elements of project monitoring are therefore carried out by the software programme which gives a consolidated real-time view of all information related to a given project, notably:

- commercial and contractual data;
- number of business days devoted to the project, expense forecasts, provisional timeline and project overruns;
- services billed/to be billed, unbilled revenue and deferred income.

### Monthly budget tracking and reporting

Data produced by ActiveSys (via a decision-making tool) enables management control to monitor and update the budget on a monthly basis to take into account the latest known, budget-related information and business projections.

Data summarised in a monthly dashboard at individual Practice and consolidated levels, provide the following management indicators related to budget targets achieved and forecast:

- revenue;
- operating income on ordinary activities (EBIT);
- consultant income flow;
- headcount;
- orders taken;
- sale price;
- order book;

- cash and cash equivalents;
- client management (tracking of late payments and invoices to be issued).

Dashboards are reviewed on a monthly basis by the head of each practice division and on a consolidated basis by the Executive Committee, so that corrective measures can be taken if necessary.

In addition, a quarterly report of Solucom's activity is prepared and submitted by the Management Board to the Supervisory Board.

### Financial reporting periods

For internal purposes, unaudited accounts are prepared for the first and third quarters to enable reconciliation between accounting and management data. In addition, interim and annual financial statements are audited by the statutory auditors, reviewed by the Audit Committee, approved by the Supervisory Board, and published in accordance with applicable legislation and regulations. Solucom's statutory auditors attend the Audit Committee and Supervisory Board meetings called to approve the interim and annual company and consolidated statements.

In this way, the members of the Audit Committee and Supervisory Board can exchange information with the Statutory Auditors directly on:

- the accounting principles adopted;
- assurances that the statutory auditors have been able to access the information they need to conduct their review, especially regarding consolidated subsidiaries;
- the state of progress of their work, with the knowledge that when the financial statements are reviewed by the Supervisory Board the Statutory Auditors should have completed their review.

Accounting principles used during financial-statement approval and closure sessions are the same as those applied throughout the Group (recognition of revenue, provisioning rules, cost-price calculation, period-demarkation rules, profit-share calculation, and tax calculation).

At Supervisory Board meetings held to approve the interim and annual financial statements, the Management Board presents and comments on the following points:

- the income statement;
- a table giving the "management" breakdown by company of the income statement;
- the operating indicators underlying the income statement;
- the statement of financial position;
- the cash flow statement.

### Methods used for provisioning risks and disputes

At the close of every interim and annual period, the management control unit carries out a review of all ongoing projects to identify any budget overruns that may require provisioning.

These provisions are based on the project manager's latest monthly revision of the total estimated project budget.

The financial department is also informed of any events likely to require provisioning, as soon as they occur, namely:

- risk of client bankruptcy (unlikely given the fact that the Company's customer portfolio is made up of major client accounts);
- unexpected payment-recovery difficulties (monthly tracking of aged balances);
- third-party disputes, particularly with clients, using an efficient incident-detection system rolled out to all Group entities.

Risks involving quality, invoicing and payment are reviewed at the close of every 3-month financial period by the accounting manager, the sales administration manager, and the financial operations manager, with the help of management control. The findings of this review are submitted to the Chief Financial Officer and the Management Board of Solucom to decide what provisions, if any, should be set up.

### Consolidation of accounts

The structure and procedures in place (as described above) enable the parent company to verify its subsidiaries' financial statements notably for:

- the financial department, which supervises the production of the financial and accounting data of each entity and the firm;
- the Executive Committee, which monitors, by way of the monthly dashboard produced by management control, the achievement of the objectives set for the Company and each of its subsidiaries;
- reconciliation between accounting and management data of each of the Group's entities at the close of every three-month and six-month financial period, under the responsibility of management control.

The account consolidation process is carried out by an external accounting firm, in liaison with the Finance Department, and notably concerns the following controls and checks:

- reciprocity of inter-company balances to be eliminated;

- consistency of company accounting practices used;
- verification that the accounts submitted by Group subsidiaries are formatted according to Group's specifications;
- review of independent-actuary estimates of retirement commitment provisions;
- justification and analysis of all consolidation adjustments, in accordance with applicable accounting rules.

### Cash and cash equivalents

Solucom's centralised cash management was set up with a banking partner for the purposes of:

- optimising the management of the Group's surplus cash;
- providing a centralised real-time view of the cash positions of every company in the Group.

The Supervisory Board receives quarterly reports of the firm's cash position from the Management Board.

### Monitoring of off-balance sheet commitments

At the close of every accounting period, the financial department compiles the off-balance-sheet commitments of every company in the firm.

### Quality control of published financial and accounting information

All aspects of financial communication are prepared under the direct control of Solucom's Management Board.

The Finance Department is also in charge of identifying changes in financial communication requirements that could impact Solucom's communication obligations.

The requirements related to periodic accounting and financial information publication are explained in the Company's central information repository.

## 2.7. Operating procedures

Solucom's risk-prevention procedures related to operating activities cover all of the key processes used in the Company's business. These include:

- project and service-quality management and monitoring;
- human resource management;
- sales monitoring and account management;
- Information-systems security;
- supply management.

Note that the Management Board keeps an updated map of the main risks identified.

This analysis is presented annually to the Audit Committee and the Supervisory Board at the meeting convened to review internal-control and risk-management procedures in general, and in particular those cited below.

### Procedures involved in project and service-quality management and monitoring

- Management teams of all the Company's Practices and subsidiaries hold monthly to ensure the operational monitoring of:
  - projects (overruns);
  - internal contracts;
  - problems related to invoicing and difficulties in obtaining support documentation (orders or acceptance forms);
  - individual account cost prices.

These monthly meetings enable the Company's entities and Practices to implement corrective actions if any problems are identified.

- Procedure for managing fixed-price contracts: This procedure defines the principles for running a fixed-price service, and in particular the operating rules for each major stage of the life cycle of the service in question, as well as the responsibilities involved in running such operations.

- Quality Charter
  - Solucom's Quality Charter defines:
    - the quality of services rendered to the client;
    - the gauge used to measure client satisfaction;
    - the Group's quality-policy principles and methods.

There is also a system for transmitting quality impairment issues and client complaints to the Quality Manager. A set of indicators, drawn up on the basis of this information and a periodic review of the general quality of Solucom's client relationships, is presented to Group employees to heighten their awareness.

### Human-resources management procedures

- New-employee induction

This procedure covers all the stages involved in Solucom's recruit-induction process, defines the actions required to ensure the smooth integration of new employees into the Group and identifies the persons in charge of the integration process.

- Annual employee interviews and assessment

This procedure defines how each employee is monitored by their department heads, using a standard form and an individual interview matrix.

- Staff recruitment and retention

These procedures describe all of the actions taken by the Group to achieve its staff-recruitment and retention objectives and define monthly recruitment and turnover-tracking dashboards.

### Business activity tracking procedures

- Business-activity monitoring is enhanced by cutting-edge indicators produced by the Activebiz business information system.

- Business propositions

Primarily to guarantee the commitments made in calls for tender, a predefined format incorporating standard terms and conditions (confidentiality, invoicing and payment terms, travel expenses, non-solicitation of staff, insurance/liability, etc.) is used to formulate business propositions.

- Contracts

These are negotiated and signed on a case-by-case basis in accordance with internal compliance criteria and summarised in a contracts report.

- Invoicing

Invoicing is carried out by the Sales Administration Department which works closely with the sales teams and project managers involved throughout the lifetime of the account in question.

- Management of receivables

In fiscal year 2012/13, a dedicated team was set up to oversee the firm's receivables and manage all payment recovery problems. This team works closely with the Sales Administration Department, the sales teams and the project managers.

### Information system security procedures

- Security Charter

This Charter lays down the principles and rules to ensure an efficient level of protection, which is consistent and adapted to the sensitivity of information across the Group's information system.

- Protection of the information system

The measures implemented are notably related to data confidentiality, protection against hacking and viruses, system redundancy and data backup. This is completed by an IT-disaster recovery plan, deployed within the context of a broader business continuity plan.

### Supplier-network management procedures

Supply and supplier-management procedures were dematerialised in 2014/15 with the roll out of the Activesys purchasing module.

- Expenditure commitments

Every expenditure commitment must be accompanied by a purchase order issued in the standard Group-wide format by the budget manager concerned, or by any other authorised person.

Persons authorised to approve purchase orders are listed in an internal memo.

- Invoice approval

Every invoice is matched against the corresponding purchase order and approved by the budget manager concerned or by any other authorised person. Invoices are not recognised until they have been matched with their corresponding purchase order. Both of these documents must be approved beforehand.

Persons authorised to approve invoices are listed in an internal memo.

- Payment

All authorisations to pay an invoice, regardless of the means of payment, must be approved before hand by the accounting manager or the acting financial operations manager. In particular, invoices are checked to verify the amount and the supplier's banking details, and to ensure that it has not already been paid.

The list of authorised signatories for payments is circulated internally and to the firm's partner banks.

### 3. Corporate governance code

The Supervisory Board adopted as its Corporate Governance Code the Corporate Governance Code for Small and Mid-cap Companies published by MiddleNext in December 2009. The MiddleNext code is available on the MiddleNext website ([www.middlenext.com](http://www.middlenext.com)).

This code offers recommendations that companies choosing to adopt the code must comply with, and provides a list of due diligence factors that the Supervisory Board has reviewed.

In addition, the Supervisory Board has confirmed that Solucom has integrated all the recommendations of the MiddleNext Corporate Governance Code in its corporate governance.

#### **The Chairman of the Supervisory Board**

01/06/15.



## Statutory Auditors' Report

in accordance with Article L.225-235 of the Commercial Code,  
on the Report of the Chairman of the Supervisory Board

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To the Shareholders,

In our capacity as Statutory Auditors of Solucom and in accordance with Article L.225-235 of the French Commercial Code, we hereby present our report on the report prepared by your Company's Chairman in accordance with Article L.225-68 of the French Commercial Code for the year ended 31/03/15.

It is the Chairman's responsibility to prepare and submit for the Supervisory Board's approval a report on the internal-control and risk-management procedures implemented by the Company and to provide the other information required by Article L.225-68 of the French Commercial Code relating to matters such as corporate governance.

It is our duty:

- to report on any matters relating to the information contained in the Chairman's Report concerning internal-control and risk-management procedures relating to the preparation and processing of the accounting and financial information; and
- to certify that the Report also includes the other information required by Article L.225-68 of the French Commercial Code. It should be noted that our role is not to verify the fair presentation of this other information.

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

### Information concerning the Company's internal-control and risk-management procedures relating to the preparation and processing of accounting and financial information

Professional standards require that we perform the necessary procedures to assess the fair presentation of the information provided in the Chairman's Report with respect to the internal-control and risk-management procedures relating to the preparation and processing of the accounting and financial information. These procedures notably involve:

- obtaining an understanding of the internal-control and risk-management procedures related to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's Report and the existing documentation is based;
- obtaining an understanding of the work involved in the preparation of this information and existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information identified in the course of our work have been appropriately disclosed in the Chairman's Report.

On the basis of our work, we have no observations to make on the information concerning the Company's internal-control and risk-management procedures relating to the preparation and processing of the accounting and financial information contained in the Report of the Chairman of the Supervisory Board, prepared in accordance with Article L.225-68 of the French Commercial Code.

### Other information

We hereby confirm that the Report of the Chairman of the Supervisory Board also includes the other information required under Article L.225-68 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, 2 June 2015

The Statutory Auditors

**Deloitte & Associés**

Dominique Laurent

**Mazars**

Christine Dubus



## Management bodies

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The management of the Company is ensured by the Executive Committee which defines and implements Company strategy and draws up budgets and action plans.

The Executive Committee operates on a two-tier system based on plenary meetings (open to all members of the Committee), and smaller, select meetings (steering committees).

- **Plenary meetings**, debate corporate strategy, develop and oversee the implementation of the Company's strategic plan, and monitor non-operational development projects.
- **Select executive meetings (steering committees)** oversee the development of action plans and annual budgets and ensure that the respective objectives are achieved. On a day-to-day basis, the Committee supervises the operations and activities of corporate-function services, oversees risk control, and adapts the processes and organisational structure of the Company to meet the challenges it is confronted with.

The list of members of the Supervisory Board is given in Chapter 1 of the present Registration Document.

## Interests of members of the management and supervisory bodies

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### **Gross compensation and benefits-in-kind paid directly or indirectly to Company directors**

The details of gross compensation and benefits-in-kind paid to Company directors are given in the Management Board (Chapter 2 of the present Registration document).

### **Director attendance fees**

Details of attendance fees awarded to Company directors are given in the Management Board Report to the general meeting (Chapter 2 of the present Registration document).

### **Stock-options and free-share allocation**

No stock options were granted to the members of the Company's administrative and management bodies in 2014/15.

Some free shares were granted to Patrick Hirigoyen, member of the Solucom Management Board. The record of free share allocations (table 10 of the AMF recommendations) is given in the Management Board Report (Chapter 2 of the present Registration document).

### **Agreements signed with members of the management and supervisory bodies**

Agreements signed with members of Solucom's management and supervisory bodies are presented in the Statutory Auditors' Special Report on Regulated Agreements and Commitments, detailed in Chapter 3 of the present Registration Document.

### **Other interests of members of the management and supervisory bodies**

All members of Solucom's management and supervisory bodies are shareholders in the Company. They have no interests in any company that controls Solucom, nor in any subsidiary, major client or supplier of the Company.

### **Loans and guarantees**

None.

### **Assets owned directly or indirectly by members (and their families) of the Company's administration and governing bodies**

None.

## Profit sharing

Solucom implemented an employee profit-sharing scheme for 2014/15.

No stock options were granted to the issuer's corporate officers over the period.

None of the issuer's corporate officers were granted any equity shares or stock options giving immediate or future access to Solucom shares.

Note that all stock option plans have expired since the end of 2008.

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### Subscription or purchase options granted to the ten highest-paid non-executive employees and the options exercised by them

Stock options granted and exercised during the year are summarised in the table below.

	<b>Total number of options granted / shares subscribed or purchased</b>
Options granted during the year by the issuer or by any other company included in the scope of the stock option plan to the ten employees benefiting from the largest stock-option allocations of the issuer and any company included in this scope	n/a
Options held in the issuing and aforementioned companies, which were exercised during the year by the ten employee beneficiaries of the issuer and its companies, for whom the number of shares purchased or exercised was the highest.	n/a

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# Legal book

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## General information

### concerning Solucom and its share capital

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#### 1. General information concerning the Company

##### 1.1. Key events in the development of the Company

###### 1990

Michel Dancoisne and Pascal Imbert found Solucom, a consulting firm specialised in networks and telecoms.

###### 1994

Internet and telecoms deregulation boost Solucom's business.

###### 2000

Solucom floated on the French Marché Libre.

###### 2001

Solucom transfers to the French Nouveau Marché and raises funds on the market.

Takeovers of Arcome and Idesys.

###### 2005

Takeover of Dreamsoft.

###### 2006

Takeovers of KLC and New'Arch.

###### 2007

Solucom completes its 2004/07 business plan.

Takeover of Vistali in April 2007.

###### 2008

Takeover of Cosmosbay~Vectis in April 2008.

###### 2011

Solucom completes its 2007/10 business plan and prepares the "Solucom 2015" strategic plan.

###### 2012

Launch of the "Solucom 2015" strategic plan.

Takeovers of Alturia Consulting and Eveho in April 2012, and of Stance Partners in October 2012.

Creation of SLM Consulting (Solucom's Moroccan subsidiary in Casablanca) in September 2012.

###### 2013

Takeover of Lumens Consultants in December 2013.

###### 2014

Takeovers of Trend Consultants in January 2014 and of Audisoft Oxea in November 2014.

Acquisition of PEA's industrial assets in October 2014.

###### 2015

Takeover of Hudson & Yorke in February 2015.

Acquisition of the assets of Hapsis in April 2015.

Solucom is integrated in the Tech40 index.

Solucom completes its "Solucom 2015" strategic plan and prepares its new strategic plan; "Up 2020".

Takeover of Arthus Technologies in July 2015.

##### 1.2. Company name and registered office

Solucom

Tour Franklin

100-101 terrasse Boieldieu

92042 Paris La Défense Cedex

##### 1.3. Legal form

French public limited company (*Société Anonyme*) with a Management Board and Supervisory Board and governed by its Articles of Association and the legal and regulatory dispositions in force, notably the French Commercial Code.

##### 1.4. Date of incorporation and lifetime

Solucom was created in February 1990 and registered on 02/04/90.

The term of the Company is 99 years from the date of registration (in accordance with article 5 of the Articles of Association) until 02/04/89, unless the Company is dissolved before this date or its life is extended beyond this date.

##### 1.5. Corporate purpose

In accordance with Article 2 of the Articles of Association, Solucom's direct and indirect corporate purpose, in France and abroad, is as follows:

- provision of IT services for third parties by the use specially developed programmes and standards;
- analysis, consulting, technical assistance, training, development, documentation, installation, and maintenance of IT and telecommunications systems, for information in any form and on all supports, and all related services carried out by any means;
- creation, implementation and management of all networks and/or groups with a view to developing concepts belonging to the Company and the transfer of expertise;
- development, ownership, administration, leasing, and the sale of any patents and/or trademarks and the granting of any licences;
- acquisition of equity interests, by any means, in any existing or future companies and businesses that could relate, directly or indirectly, to the Company's corporate purpose;
- and generally, any financial, fixed or moveable property operations that could relate, directly or indirectly, to the Company's corporate purpose or likely to promote the Company's growth or material development.

##### 1.6. Trade and company registration

Company registration number: Nanterre B 377 550 249

### 1.7. Financial year

Solucom's financial year runs over a period of twelve months from 1 April of every year to 31 March of the following year (Article 34 of the Articles of Association).

### 1.8. Specific clauses in the Articles of Association

#### Allocation of earnings

##### (Article 36 of the Articles of Association)

If the financial statements for the year, as approved by the General Meeting, reveal that the Group has booked a net distributable profit as defined by law, the General Meeting must decide whether to allocate these distributable earnings to one or more reserve accounts (the use and appropriation of which it controls), to allocate them to retained earnings, or distribute such earnings in the form of a dividend payout to shareholders.

The income statement, which lists income and expenditure movements for the year, presents the net profit over the period after deduction of depreciation and provisions.

At least five percent shall be deducted from the annual net accounting profit (less any prior year losses) and allocated to the statutory reserve.

This allocation ceases to be mandatory once the total statutory reserve reaches one tenth of the share capital.

Distributable earnings consist of the net profit of the year, less any prior year losses and statutory-reserve allocations (in accordance with legislation and the Articles of Association) plus any retained earnings brought forward.

The balance is divided among all of the shareholders in proportion to the number of shares they hold. The General Meeting may decide to distribute the amounts allocated to the reserves it controls, by stating explicitly the reserve accounts from which the distribution should be made.

Except in the case of a share capital reduction, no dividends can be distributed to shareholders if the amount of shareholders' equity is, or would be in the event of said dividend payout, lower than the value of the share capital plus the reserves that cannot be distributed under the law or the Articles of Association.

The revaluation reserve is not distributable and may be fully or partially incorporated into the share capital.

However, after deduction of allocations made to the statutory reserve, in accordance with the law, the General Meeting may deduct from this profit all amounts that it deems appropriate for allocation to all optional, ordinary or extraordinary reserves, or to retained earnings.

After approval of the financial statements by the General Meeting, any losses are carried forward as retained losses to be offset against future retained earnings until they are fully compensated.

#### General Meetings

General Shareholders' Meetings are convened under the conditions provided for by law.

Meetings are held at Company headquarters or at any other location specified in the convening notice to the General Meeting.

#### Admission to General Meetings - Powers

##### (Article 27 of the Articles of Association)

1. All holders of ordinary shares may vote in General Meetings in person or by postal vote, regardless of the number of shares held, provided their shares are fully paid up.

The right to attend or to be represented at general meetings is subject to the following:

- Holders of registered shares must be registered as such by midnight (Paris time) of the third business day prior to the date of the meeting.
- Holders of bearer shares must be registered as such by midnight (Paris time) of the third business day prior to the date of the meeting.

The registration or accounting entry in the bearer-share register held by the authorised intermediary is attested to by a certificate of participation delivered by the intermediary attached to the remote or proxy voting form or by an application for an admission card established in the name of the shareholder. A certificate may also be issued to shareholders wishing to attend the Meeting in person who have not received their admission card by midnight (Paris time) of the third working day prior to the date of the meeting.

If it deems fit, the Management Board may give shareholders personal admission cards.

2. All shareholders may vote by post in accordance with current regulations by submitting a form that can be obtained by following the procedures stated in the convening notice to the General Meeting.

3. All shareholders may be represented by the natural or legal person of their choice or another shareholder, in accordance with legal and regulatory provisions, in which case the authorised agent must provide proof of proxy.

4. If the Management Board decides so when convening the meeting, shareholders may also participate in meetings via video-conference or other means of telecommunication enabling their identity to be established in accordance with procedures allowed under current regulations.

**Shareholders' right to receive information  
(Article 33 of the Articles of Association)**

In accordance with the statutory conditions and deadlines, shareholders are entitled to receive all the information necessary for them to make an informed decision relating to the management and control of the Company. The details of these documents and conditions for sending them or making them available to shareholders are laid down by legislation and regulations.

**Quorum - Voting  
(Article 29 of the Articles of Association)**

1. The quorum is calculated on the basis of all shares comprising the share capital, except in the case of Special General Meetings when it is calculated on all shares of the relevant class, less the number of shares without voting rights, pursuant to legislation.

Votes submitted by mail will only be taken into account in the calculation of the quorum providing the Company receives the voting forms, correctly completed, at least three days before the meeting.

For the purposes of calculating the quorum and majority votes, all shareholders attending the meeting by video conference or other means of telecommunication enabling their identification and in accordance with regulations in force, will be included if the Management Board decides to use such means in the convening notice to the General Meeting.

2. Voting rights attached to share capital or other shareholders' rights are proportional to the number of shares they represent. Every share entitles the holder to one vote; subject to the provisions of Article 11 paragraph 4 concerning application of the provisions of Articles L 225-123 and seq. of the French Commercial Code.

3. Votes are counted by the raising of hands, roll-call or secret vote, in accordance with the decision of the Meeting committee or that of the Shareholders. Shareholders may also submit postal votes.

**Ordinary Shareholders' Meetings  
(Article 30 of the Articles of Association)**

Ordinary Shareholders' Meetings make all decisions except those concerning amendments to the Articles of Association.

Ordinary Shareholders' Meetings are held at least once every year, within a period of six months following the close of the Company's financial year, to approve the financial statements of that year. Extension may be obtained by court decision.

Ordinary Shareholders' Meetings cannot validly conduct business based on the first call unless the shareholders present, represented or voting by post hold at least one fifth of shares with voting rights.

Resolutions are adopted by the majority of votes cast by shareholders present or represented by proxy-holders, and the votes of shareholders who have voted by post.

**Extraordinary Shareholders' Meetings  
(Article 31 of the Articles of Association)**

Extraordinary Shareholders' Meetings may amend any of the clauses of the Articles of Association, and notably decide to adopt a new civil or commercial legal form for the Company. Extraordinary General Meetings cannot however increase the shareholders' commitments, subject to transactions resulting from a legally valid consolidation of shares.

Subject to legal derogations, resolutions passed by Extraordinary General Meetings are only valid if the shareholders present, represented by proxy or voting by post, hold at least one quarter of total shares with voting rights following the first convening notice, and one fifth following the second convening notice. In the event the second quorum is not reached, the meeting may be deferred to a date no later than two months after the date fixed in the second convening notice.

Resolutions are adopted on the basis of a two-thirds majority of votes cast by shareholders present or represented by proxy, and sent by mail.

In Extraordinary General Meetings called to approve capital contributions in kind or the granting of specific benefits, neither the contributor nor the beneficiary have the right to vote for his/her own account or on behalf of another shareholder.

**Rights and obligations attached to shares  
(Article 11 of the Articles of Association)**

1. Each share entitles the holder to a share in the profits, as well as Company assets and liquidation bonuses in proportion to the number and nominal value of the existing shares held, subject to rights granted to the shares of different classes, if any.

Each share also gives the holder a right to vote, to be represented at General Meetings, to be informed on the progress of the Company and to receive certain Company documents at times and under the conditions specified by legislation and the Articles of Association.



**2.** Shareholders' liabilities are limited to the amount of their capital contributions. In the case of a change in share ownership, rights and obligations attached to the shares concerned are transferred to the new owner. Ownership of shares automatically binds the owner to the Company's Articles of Association and resolutions adopted by General Meetings.

**3.** Whenever it is necessary to hold a given number of shares to be able to exercise a right, shareholders who do not own the required number of shares must make their own arrangements to form a group and, if necessary, purchase or sell the required number of shares.

**4.** Holders of fully paid-up shares registered in their own name for more than two years are granted double voting rights.

In addition, double voting rights are automatically granted to registered shares allocated freely to shareholders in proportion to former shares held that already enjoyed double voting rights.

Double voting rights attached to shares automatically cease in the event of a change in share ownership, subject to the statutory exceptions.

Double voting rights were adopted following a decision made by the Extraordinary General Meeting held on 06/12/99.

The fact that the Company's Articles of Association provides for double voting rights could delay, postpone or prevent a change in control over the Company.

**5.** Any individuals or corporate bodies acting alone or in concert, who acquire a proportion of the Company's existing share capital or voting rights, as specified under Article L.233-7 of the French Commercial Code, must disclose to the Company the total number of the shares held, within five trading days of breaking through the statutory threshold of the total number of shares and voting rights owned.

These individuals/corporate bodies must also inform the AMF (French financial markets regulator) within five trading days of breaking through threshold crossing.

The same obligations apply for shareholders crossing below the statutory thresholds.

Parties obliged to disclose the information stated in the first paragraph must communicate the number of shares giving future access to the Company's share capital and related voting rights. In addition, they must declare whenever they break through or cross below the threshold of one tenth or one fifth of the Company's share capital or voting rights, and also state their objectives for the coming twelve months.

This declaration must specify if the purchaser is acting alone or in concert, if he/she plans to cease acquisitions or to continue them or to obtain control of the Company or not, and if he/she seeks appointment as a member of the Management Board or the Supervisory Board for himself/herself, a third party or a group of persons. This declaration must be addressed to the Company.

**6.** New preference shares may be issued based on any legal procedures, terms, conditions and limits. They shall be governed, converted and/or redeemed in accordance with statutory conditions.

#### **Identifiable bearer securities (Article 9 of the Articles of Association)**

In accordance with Article L.228-2 of the French Commercial Code, the Company may at any time make use of all applicable laws and regulations, notably by requesting the organisation responsible for third party payments to identify the holders of securities giving immediate or future voting rights in its own general meetings, as well as the number of securities held by these shareholders and any restrictions attached to the securities. In addition, if the Company believes that certain shareholders whose identities have been disclosed to it hold shares on behalf of a third party, it may also, in accordance with the law, request the identity of the third-parties concerned.

#### **Members of the management and supervisory bodies**

##### **Powers of the Management Board (Article 17, paragraph 1 of the Articles of Association)**

The Management Board is vested with extensive powers to act in any circumstances in the name of the Company within the scope of the Company's corporate purpose and subject to the powers conferred by law and these Articles of Association to General Shareholder Meetings and the Supervisory Board.

No restriction of its powers will be enforceable against third parties, who may take legal action against the Company in the performance of commitments made in its name by the Chairman of the Management Board or the Managing Director provided their appointments have been published in accordance with regulations.

On no account may the separate allocation of duties between the members of the Management Board, as approved by the Supervisory Board, exempt the Management Board from its obligation to meet and discuss the most important issues concerning the management of the Company, nor does it exempt the Management Board and each of its members from the obligation to exercise joint responsibility.

The Management Board may charge one or more of its members or any other person to carry out special, permanent or temporary missions assignments which it determines, and delegate such person(s) the powers it deems suitable for one or more specific purposes, with or without the right to sub-delegate.

#### **Powers of the Supervisory Board (Article 20 of the Articles of Association)**

The Supervisory Board ensures the permanent monitoring of the management of the Company by the Management Board.

The Supervisory Board may conduct as many audits and controls it considers opportune at any time during the year and may request the Management Board to provide the documents it considers necessary to carry out its mission.

At least once every quarter, the Management Board reports to the Supervisory Board on the main actions or events that have occurred concerning the management of the Company and provides all the necessary information concerning the Company's business trends and financial statements for the interim and, if applicable, the quarterly periods.

After the fiscal year-end closing, and within the regulatory deadlines, the Management Board submits the annual and consolidated financial statements to the Supervisory Board for verification and control, and presents its draft report to the General Meeting.

At the Annual General Meeting, the Supervisory Board presents its comments on the report of the Management Board and the full-year consolidated and annual financial statements.

The Chairman also reports on the conditions for preparing and organising the duties of the Supervisory Board, as well as on the internal-control procedures implemented by the Company.

Under no circumstances whatsoever can the Supervisory Board or any of its members during the course of exercising their supervisory duties be directly or indirectly involved in the management of the Company.

Pursuant to Article L.225-68 of the French Commercial Code, the following transactions must receive prior approval from the Supervisory Board:

- sale/transfer of real estate;
- total or partial sale/transfer of equity investments;
- creation of sureties, pledges, security deposits and guarantees.

The Supervisory Board may give the Management Board prior approval to conduct one or more of the above-mentioned transactions within the limit of the maximum amounts, conditions and time frame determined by the Board.

The Supervisory Board may decide to set up committees made up of its own members, for the purposes of reviewing and forming an opinion on issues submitted by the Supervisory Board or its Chairman. The Board determines the composition and powers of these committees, which conduct their business under the Supervisory Board's responsibility.

#### **1.9. Share buybacks**

Details concerning the share buy-back programme in force during the year ended 31/03/15, and the share buy-back programme submitted for shareholder approval at the Combined Ordinary and Extraordinary Shareholders meeting on 22/07/15 are given in Chapters 2 (General report to the Management Report) and 6, respectively, of the present Registration Document.

## **2. General information concerning the share capital**

### **2.1. Share capital**

At 31/03/15, Solucom's share capital totalled €496,688.20 for 4,966,882 fully paid-up shares of the same class (Article 6 of the Articles of Association) at a par value of €0.10 each.

### **2.2. Potential share capital**

All past stock option plans had expired at 31/12/08.

There is therefore no potential dilution of share capital.

In the event of a future allocation, the Company undertakes not to issue stock options at prices that would significantly differ from its stock market share price.

### **2.3. Authorised, unissued shares**

Financial authorisations granted to the Company by the Combined Ordinary and Extraordinary Shareholders on 11/07/14 are still valid (see the appendix to the Management Board Report for details of these authorisations).

## 2.4. Pledges, guarantees and sureties

### Registered pledges of issuer shares at 31/03/15

Name of registered shareholder	Beneficiary	Effective date of pledge	Expiry date of pledge	Condition for cancellation of pledge	Number of issuer shares pledged	% of issuer share capital pledged
None	None	None	None	None	None	None
<b>Total</b>						

### Issuer asset pledges at 31/03/15 (intangible, tangible and financial assets)

Type of pledge / mortgage	Effective date of pledge	Expiry date of pledge	Value of pledged asset (a) (€m)	Balance sheet total(b) (€m)	(a)/(b) %	Condition for cancellation
On intangible assets <sup>(1)</sup>						
(assets of Villeurbanne, Aubagne and Nantes)	05/10/12	30/09/17	Not quantifiable	41.1	n/a	See comments
On tangible assets	None	None	None	1.3	0	None
On financial assets	None	None	None	10.7	0	None
<b>Total</b>			<b>Not quantifiable</b>	<b>53.0</b>	<b>n/a</b>	

(1) Solucom's tangible and intangible assets associated with branch offices in Villeurbanne, Aubagne and Nantes were pledged as collateral against lines of credit granted to the Group by its bankers at the beginning of October in the amount of €16,000k, none of which drawn down at the date of the present Registration Document. This pledge is not quantifiable since the tangible and intangible asset components are not clearly valued in the balance sheet.

## 2.5. Shareholders' pact and agreements

### Measures relating to the shareholders

None.

### Measures relating to issuers

None.

The Company is not aware of the existence of any clause that could have an impact on the Company's assets and liabilities, business, financial situation, earnings and outlook.

### 3. Breakdown of share capital and voting rights

#### 3.1. Solucom shareholders

The list of Solucom shareholders at 31/03/15 is given in the table below:

Shareholders	Shares	% of capital	Theoretical voting rights	% of theoretical voting rights <sup>(1)</sup>	Exercisable voting rights	% of exercisable voting rights <sup>(2)</sup>
<b>Founder shareholders and executive directors</b>	<b>2,613,118</b>	<b>52.61%</b>	<b>5,216,347</b>	<b>67.03%</b>	<b>5,216,347</b>	<b>67.69%</b>
<i>Pascal Imbert</i>	<i>1,447,284</i>	<i>29.14%</i>	<i>2,894,568</i>	<i>37.20%</i>	<i>2,894,568</i>	<i>37.56%</i>
<i>Michel Dancoisne</i>	<i>1,135,272</i>	<i>22.86%</i>	<i>2,270,344</i>	<i>29.17%</i>	<i>2,270,344</i>	<i>29.46%</i>
<i>Patrick Hirigoyen</i>	<i>28,562</i>	<i>0.58%</i>	<i>49,435</i>	<i>0.64%</i>	<i>49,435</i>	<i>0.64%</i>
<i>Other</i>	<i>2,000</i>	<i>0.04%</i>	<i>2,000</i>	<i>0.03%</i>	<i>2,000</i>	<i>0.03%</i>
<b>Employees</b>	<b>243,910</b>	<b>4.91%</b>	<b>314,609</b>	<b>4.04%</b>	<b>314,609</b>	<b>4.08%</b>
<b>Treasury stock</b>	<b>75,336</b>	<b>1.52%</b>	<b>75,336</b>	<b>0.97%</b>	<b>0</b>	<b>0.00%</b>
<b>Free float</b>	<b>2,034,518</b>	<b>40.96%</b>	<b>2,175,595</b>	<b>27.96%</b>	<b>2,175,595</b>	<b>28.23%</b>
<b>Total</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>7,781,887</b>	<b>100.00%</b>	<b>7,706,551</b>	<b>100.00%</b>

(1) Pursuant to Article 11 of the Company's Articles of Association, double voting rights are granted to holders of fully paid-up shares registered for at least two years in the name of the same shareholder. In addition, pursuant to Article 223-11 of the general regulations of the AMF, the total number of theoretical voting rights is calculated on the basis of the total number of shares including those without voting rights.

(2) In accordance with AMF position-recommendation n° 2014-14, the total number of voting rights exercisable at General Shareholder Meetings is calculated on the basis of the total number of shares with exercisable voting rights but does not include those without voting rights.

Total voting rights attached to registered shares: 5,698,960 (1) for 2,883,955 shares.

Total number of shares with voting rights: 4,966,882.

Total number of bearer shares with single voting rights: 4,966,882 - 2,883,955 = 2,082,927 (2).

Total voting rights (1) + (2) = 7,781,887.

Total treasury stock = 75,336 (3).

Total exercisable voting rights (1) + (2) = 7,706,551.

According to a TPI analysis conducted on 31/03/15, approximately 50% of the shares making up the free float on that date were held by institutional funds and the remainder by private shareholders.

29% of Solucom's shares are held by Pascal Imbert, the Chairman of the Management Board, and 23% by Michel Dancoisne, the Chairman of the Supervisory Board. Acting in concert, these shareholders jointly own 52% of the Company's capital.

To the best of Solucom's knowledge, no other shareholder owns 5% or more of the Company's share capital and/or rights.

Patrick Hirigoyen, member of the Management Board, is deputy Managing Director in charge of company operations.

Jean-François Perret is an executive and corporate officer of Solucom and serves as Vice-Chairman of the Supervisory

Board; Marie-Ange Verdickt and Nathalie Wright, also appointed executives and corporate officers of the Company, are members of the Supervisory Board.

Solucom is controlled by its two founding shareholders. To the best of its ability, the Company endeavours to respect the strict principles of corporate governance. Within this context, it has notably adopted a two-tier corporate structure comprising a Management Board and a Supervisory Board. The presence of independent directors on the Supervisory Board ensures that it carries out its supervisory function and represents all of the Company's shareholders. As such, every year the Supervisory Board reviews subjects such as strategic issues, annual action plans and budget and internal-control procedures. The Supervisory Board also carries out a self-assessment survey to evaluate the functioning of the Board and reviews the independent-director status of its members.

### 3.2. Change in Solucom's share capital over the past five years

There has been no change in the Company's share capital over the past five years. The last operation carried out on the Company's share capital was the creation of 16,220 new shares on 26/05/09, subsequent to the exercise of stock options during fiscal year ended 31/03/09.

### 3.3. Changes in the Company's shareholding structure over the last three years

	31/03/15 <sup>(3)</sup>				08/04/14 <sup>(3)</sup>			23/04/13 <sup>(3)</sup>		
	Number of shares	% of capital	% of theoretical voting rights	% of exercisable voting rights	Number of shares	% of capital	% of theoretical voting rights	Number of shares	% of capital	% of theoretical voting rights
<b>Founding shareholders and executive directors <sup>(1) (2)</sup></b>	<b>2,613,118</b>	<b>52.61%</b>	<b>67.03%</b>	<b>67.69%</b>	<b>2,621,944</b>	<b>52.79%</b>	<b>67.06%</b>	<b>2,625,854</b>	<b>52.87%</b>	<b>66.64%</b>
<i>P. Imbert</i>	1,447,284	29.14%	37.20%	37.56%	1,447,284	29.14%	37.09%	1,447,284	29.14%	36.75%
<i>M. Dancoisne</i>	1,135,272	22.86%	29.17%	29.46%	1,140,072	22.95%	29.21%	1,150,072	23.15%	29.20%
<i>P. Hirigoyen</i>	28,562	0.58%	0.64%	0.64%	30,180	0.61%	0.68%	24,090	0.49%	0.61%
<i>Other executive directors</i>	2,000	0.04%	0.03%	0.03%	4,408	0.09%	0.09%	4,408	0.09%	0.09%
<b>Employees <sup>(4)</sup></b>	<b>243,910</b>	<b>4.91%</b>	<b>4.04%</b>	<b>4.08%</b>	<b>260,321</b>	<b>5.24%</b>	<b>4.36%</b>	-	-	-
<b>Treasury stock</b>	<b>75,336</b>	<b>1.52%</b>	<b>0.97%</b>	<b>0.00%</b>	<b>62,937</b>	<b>1.27%</b>	<b>0.81%</b>	<b>107,880</b>	<b>2.17%</b>	<b>1.37%</b>
<b>Free float</b>	<b>2,034,518</b>	<b>40.96%</b>	<b>27.96%</b>	<b>28.23%</b>	<b>2,021,680</b>	<b>40.70%</b>	<b>27.78%</b>	<b>2,233,148</b>	<b>44.96%</b>	<b>31.99%</b>
<b>Total</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>100.00%</b>	<b>4,966,882</b>	<b>100.00%</b>	<b>100.00%</b>

(1) Solucom directors.

(2) Messrs Dancoisne and Imbert act in concert.

(3) Pursuant to Article 223-11 of the general regulations of the AMF, the total number of theoretical voting rights is calculated on the basis of the total number of shares including those without voting rights. In accordance with AMF position-recommendation n° 2014-14, the total number of voting rights exercisable at General Meetings is calculated on the basis of the total number of shares with exercisable voting rights but does not include those without voting rights.

(4) Pursuant to Article 2009-16 modified on 17/12/13 of the general regulations of the AMF, an employee subtotal was added as of 31/03/14. This employee subtotal was maintained throughout fiscal year ended 31/03/15 in accordance with AMF position-recommendation n° 2014-14.

There was no material change in the Company's shareholder structure during the 2014/15 fiscal year.

In accordance with legal and regulatory provisions in force, the following table shows the transactions carried out on Company shares by executive directors, senior managers, and persons closely related to them, during the past fiscal year.

Executive officer	Date of transaction	Type of operation	N° of shares	Share price
Mr Michel Dancoisne	05/06/14	Sale	5,000 shares	€38.32
Mr Patrick Hirigoyen	01/10/14	Sale	1,500 shares	€38.12

### 3.4. Threshold crossings

None.

## 4. Issuer membership of another group

Solucom does not belong to any other group.

## 5. Dividends

### 5.1. Statute of limitations

Unclaimed dividends expire after a period of five years and are paid to the French government pursuant to legal provisions.

### 5.2. Dividend distribution

Solucom has distributed dividends to its shareholders since the fiscal year ended 31/03/95.

<b>Fiscal-year ended</b>	<b>Number of shares</b>	<b>Dividends paid</b> (in euros)	<b>Dividend per share (DPS)</b> (in euros)
31/03/12	4,846,317	1,066,190	0.22
31/03/13	4,909,878	1,571,161	0.32
31/03/14	4,909,331	1,620,079	0.33

### 5.3. Dividend paid out for the fiscal year ended 31/03/15

The General Shareholders Meeting called to approve the financial statements for the year ended 31/03/15, will be invited to approve a total dividend payout for the year ended 31/03/15 of €1,907,703 to be drawn from the reported 2014/15 net profit and Group reserves.

Treasury shares acquired by the Company within the context of the share buy-back programme are not eligible to receive dividends; the difference between the estimated amount of the dividend payout mentioned above and the amount actually disbursed shall be booked under Retained Earnings.

### 5.4. Future dividend payout policy

Details of the Company's dividend payout policy are given in the General Report of the Management Report in Chapter 2 of the present Registration document.

## 6. Market for Solucom shares

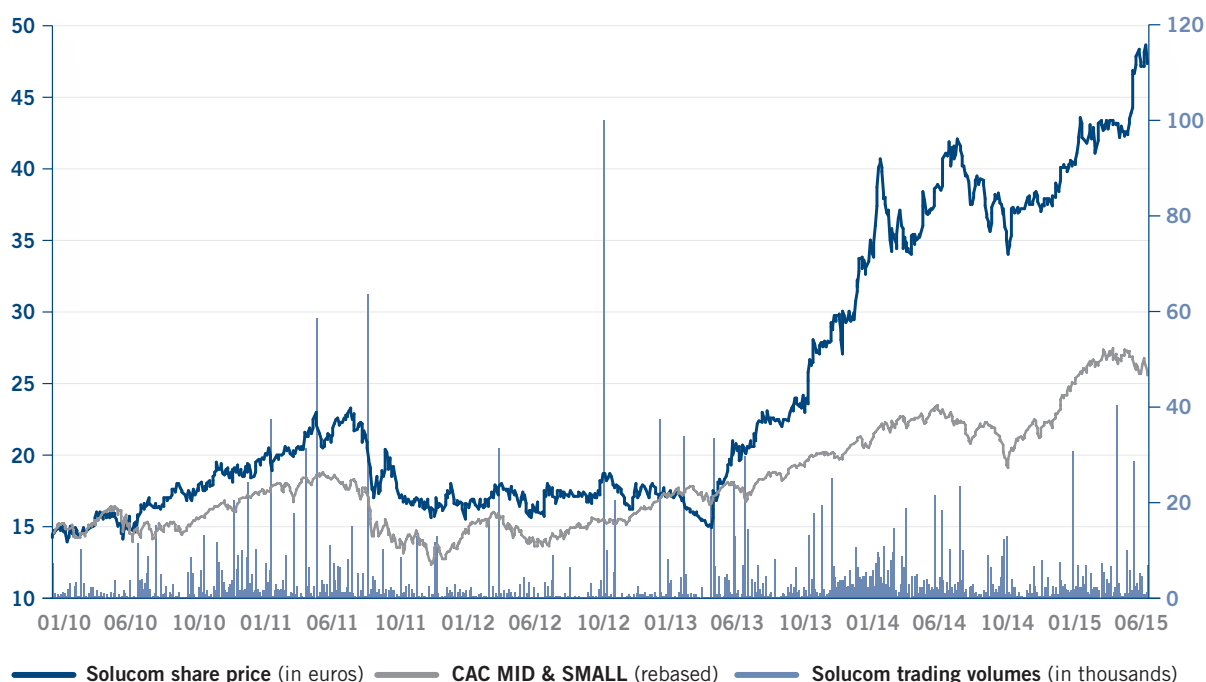
Solucom is listed on compartment B of Euronext Paris.

### Trends in the Solucom share price from 01/04/14 to 30/06/15

(market price in euros, trading volumes in thousands)

Date	Highest price	Lowest price	Last listed price	Total trading volumes	Average monthly share price
April 2014	37.07	34.00	35.37	68,146	35.19
May 2014	38.38	35.00	37.05	37,509	36.46
June 2014	41.20	37.18	41.20	107,440	39.32
July 2014	42.00	39.42	39.67	76,445	41.00
August 2014	39.67	37.49	39.25	18,748	38.77
September 2014	39.11	35.57	38.25	54,148	37.46
October 2014	37.70	34.00	37.10	71,029	36.33
November 2014	38.07	36.85	37.54	17,635	37.30
December 2014	38.36	37.00	37.90	37,915	37.69
January 2015	40.25	37.40	40.01	39,978	38.87
February 2015	43.55	39.70	43.55	70,383	40.83
March 2015	43.10	41.00	41.90	51,829	42.03
April 2015	43.35	42.59	43.14	50,121	43.10
May 2015	43.47	42.10	43.35	72,814	42.77
June 2015	48.59	43.82	47.50	73,414	47.12

### Trends in the Solucom share price from 31/12/09 to 30/06/15



## Exceptional events and disputes

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To the Company's knowledge, there are no exceptional events or disputes liable to have a material impact on the financial position or earnings of the Company or the Group.

In particular, Solucom confirms that it has not been subject to any government, legal or arbitration proceedings during the last twelve months.





6

# 2015 Combined Ordinary and Extraordinary Shareholders Meeting

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# Management Board Report

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The Management Board Report is presented in Chapter 2 of the present Registration Document.

This Report contains four sections; the General Report of the Management Board, the Corporate Social Responsibility Report, the Risk Factor Report, and Additional Notes to the Management Report.

# Supervisory Board Report

## Minutes of the 22/07/15 Combined Ordinary and Extraordinary Shareholders Meeting

Ladies and Gentlemen,

Pursuant to the supervisory duties to which we are legally bound, we have the honour of presenting our report on the activities of your Management Board for the fiscal year ended 31/03/15 within the context of the Combined Ordinary and Extraordinary Shareholders General Meeting of 22/07/15.

In accordance with the law, our observations cover the Management Report on the activities of your Company and those of your Group prepared by your Management Board, as well as the annual and consolidated financial statements for the fiscal year ended 31/03/15 and other items on your Meeting's agenda.

### 1. Observations on the annual and consolidated financial statements for the fiscal year ended 31/03/15

You have just heard the reports of your Company's Management Board and its Statutory Auditors.

The accounting documents relating to the annual and consolidated financial statements for the year ended 31/03/14, which you are asked to approve, were communicated to us by your Management Board within the legally prescribed deadlines.

The Supervisory Board drew up this Report on the basis of the work carried out by the Audit Committee. For the record, all of the members of the Supervisory Board also serve on the Audit Committee (see the Report of the Chairman of the Supervisory Board drawn up in accordance with the provisions of Article. 225-68 of the French Commercial Code).

The Supervisory Board has no observations to make on the annual and consolidated financial statements at fiscal year ended 31/03/15 and approves them as prepared and approved by the Management Board.

The Supervisory Board asks you to approve the annual financial statements, the profit allocation, and the dividend payout as presented by your Management Board.

The Supervisory Board also asks you to approve the consolidated financial statements and the resulting consolidated net income.

The Supervisory Board has no observations to make on any of the appended reports and documents prepared by the Management Board.

### 2. Proposed appointment of two new members of the Supervisory Board

In the Management Report, the Management Board proposed the appointments of two new members to the Supervisory

Board for a period of four years, that is to say until the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 31/03/19.

- Ms Sarah Lamigeon (French), born 08/05/72 in Bazas, France;
- Mr Rafaël Vivier (French), born 27/08/75 in Reims, France.

Ms Sarah Lamigeon and Mr Rafaël Vivier have already indicated that they would accept to take up these functions and that nothing prevented them from exercising their duties.

All of the legally required information is disclosed in the Management Board's Management Report, sections 3.3, "New members of the Supervisory Board", and 5.1.4, "Management Board and Supervisory Board mandates" which you are invited to consult.

In addition, on 01/06/15, the Supervisory Board met to review the independent status of the two proposed Supervisory-Board members, during which time it:

- analysed the profiles of both candidates to determine the risk of any current or potential conflicts of interest regarding Solucom;
- validated both appointment proposals and concluded that, from an independent-director prospective:
  - Ms Sarah Lamigeon was not free of any conflicts of interest because of her position as a salaried employee within the Group.
  - Mr Rafaël Vivier did not have any conflicts of interest, given that, in accordance with the independent-director qualification criteria specified in the MiddleNext Code, in the last three years he has not been an employee in, or held an executive mandate with Solucom, nor has he been a client, a supplier, a major bank, or an auditor of the Company or any company in its Group, and that he is not a reference shareholder and has no family ties with the corporate officers or reference shareholders.

### 3. Observations on the Report of the Chairman of the Supervisory Board prepared in accordance with the provisions of Article L.225-68-7, paragraph 7 of the French Commercial Code

We hereby inform you that at its meeting of 01/06/15, the Supervisory Board approved without reservation or comment the report prepared by the Chairman of the Supervisory Board in accordance with the provisions of Article L.225-68-, paragraph 7 of the French Commercial Code, attached to the Management Board Report.

#### **4. Observations on other points on the agenda: Extraordinary Shareholders Meeting**

The Supervisory Board has no observations to make on the decisions submitted for your approval and asks you to approve them and vote in favour of all of the corresponding resolutions:

- financial operations related to authorisations granting the Management Board the power to raise the capital, in accordance with legal and regulatory provisions in force;
- amendments to the Articles of Association (Solucom's headquarters address, and compliance with new legal provisions, relative to i) regulated agreements, and ii) the date and procedures governing shareholder registration for voting in General Meetings ("record date").

The Supervisory Board would like to thank the Management Board and all of the Company's employees for their hard work and efforts in 2014/15.

#### **The Supervisory Board**

Drawn up on 01/06/15, 06/07/15 and 10/07/15

# Description of the Company's share buyback programme to be approved by the Combined Ordinary and Extraordinary Shareholders meeting on 22/07/15

In accordance with Articles 241-1 to 241-5 of the General Regulations of the AMF, and European Regulation n° 227/2003, dated 22/12/03, this description of the Company's share buyback programme gives the purpose, as well as the terms and conditions of the share buyback programme to be submitted for shareholder approval at the Combined Ordinary and Extraordinary Shareholders Meeting on 22/07/15.

This programme is intended to replace the programme approved by shareholders on 11/07/14. Solucom has concluded a liquidity contract with the brokerage firm, Portzamparc in accordance with the AMAFI ethics charter. This liquidity contract complies with the provisions laid down in:

- European Commission Regulation (EC) 2273/2003;
- Articles L 225-209 and seq. of the French Commercial Code;
- the General Regulations of the AMF.

## 1. Date of the General Meeting called to approve the share buyback programme

The share buyback programme will be submitted for shareholder approval at the 22/07/15 Combined Ordinary and Extraordinary Shareholders Meeting.

## 2. Allocation by purpose of the equity securities held by the Solucom company at 31/03/15

At 31/03/15, the shares were allocated in the following manner:

- 18,022 shares allocated for the purposes of stimulating the secondary market for, or enhancing the liquidity of Solucom shares via a liquidity contract to be concluded with an investment services provider, in accordance with the Ethics Charter approved by the AMF;
- No shares allocated to Group employees and/or corporate officers in accordance with the conditions and formalities provided by law, notably with respect to stock option plans attributed for profit-sharing purposes such as employee savings schemes, free-share allocations or any other forms of share allocation;
- 57,314 shares held in reserve for the purpose of financing future external growth operations.

## 3. Objectives of the new share buyback programme

Solucom intends to use the new share buyback programme specified under the eighth resolution submitted for shareholder approval at the Combined Ordinary and Extraordinary Shareholders Meeting on 22/07/15, to pursue the following objectives:

- To stimulate trading on the secondary market for, and ensure the liquidity of Solucom shares by concluding a liquidity contract with an independent investment services provider in accordance with the Ethics Charter recognised by the AMF;
- To retain the purchased shares for use, at a later date, as payment or exchange in external growth operations;
- To grant or, as the case may be, sell shares to employees and/or corporate officers of the Company or companies within its Group, in accordance with the conditions and formalities provided by law, notably in the case of profit-sharing and share-ownership plans, as well as the setting up of company and inter-company savings plans, and the implementation and coverage of all stock-option and free-share plans.
- To retain shares for exchange purposes in the event rights attached to securities giving access in any way to Company capital are exercised.

## 4. Maximum share of capital, maximum number and characteristics of shares that may be purchased, and maximum acquisition price

Under the terms of the eighth resolution submitted for shareholder approval at the Combined Ordinary and Extraordinary Shareholders Meeting on 22/07/15, the Management Board would be authorised to buy on one or more occasions and at such times it deems appropriate, Solucom shares representing up to 10% of the Company's share capital at 31/03/15 (i.e. a maximum of 496,688 shares). This authorisation would be valid at any time except during a public offer. Factoring in the amount of treasury shares held by the Company at 31/03/15, Solucom could buy back a total of 421,352 shares, equivalent to around 8.48% of the shares making up the Company's share capital at that date.

Stock eligible for repurchase are ordinary shares, all of the same category and listed on Paris Euronext, compartment B (ISIN code FR 0004036036).

The maximum purchase price is set at €100.00 per share. In the event of any transactions affecting the Company's capital, in particular share splits, reverse splits and free-share allocation, the number of purchasable shares indicated above would be adjusted accordingly.

The maximum amount that could be invested in this operation, net of treasury stock, is therefore capped at €42,135,200 (421,352 shares x €100.00).

This authorisation cancels and replaces the authorisation granted to the Management Board by the Combined Ordinary and Extraordinary Shareholders Meeting on 11/07/14.

Furthermore, in accordance with the provisions of Article 241-2-II of the General Regulations of the AMF, any change in the information given in subsections I-3, I-4 and I-5 of said Article and disclosed in this description, shall be brought to the public's attention as rapidly as possible by the means specified in Article 221-3 of the General Regulations of the AMF, notably by making such changes available at Company headquarters, as well as on the Solucom and the AMF websites.

The present publication is available on the Solucom website: [www.solucom.fr](http://www.solucom.fr).

## **5. Duration of the new share buyback programme**

Under the terms of the eighth resolution submitted for shareholder approval at the Combined Ordinary and Extraordinary Shareholders Meeting on 22/07/15, the Management Board would be authorised to buy back company shares until the next Annual General Meeting called to approve the financial statements for the fiscal year ending 31/03/16, and for up to a maximum of 18 months, in accordance with the provisions of Articles L.225-209 and seq. of the French Commercial Code.



## Text of the Resolution

### put to shareholder vote at the 22/07/15 Combined Ordinary and Extraordinary General Meeting

#### I. Ordinary Shareholders Meeting

##### First Resolution

###### > Approval of Solucom's annual financial statements for the fiscal year ended 31/03/15

###### Summary of resolution n° 1

###### Objective:

Approve Solucom's annual financial statements for the 2014/15 fiscal year during which the Company generated a net profit of €12,069,253

The General Meeting, acting with the quorum and majority required for Ordinary Shareholder Meetings, having considered the Report of the Management Board, the Special Report of the Management Board on free shares, the Report of the Supervisory Board, the Report of the Chairman of the Supervisory Board, as required under Article L.225-68 of the French Commercial Code, and the Reports of the Statutory Auditors, approves the annual financial statements of the Company, namely the statement of financial position, the income statement and the notes for the fiscal year ended 31/03/15, as presented, which show a net profit of €12,069,253.

The General Meeting approves the transactions reflected in these financial statements and summarised in these reports.

The General Meeting acknowledges, in accordance with the provisions of Article 223, quater of the French General Tax Code, the expenses for the fiscal year ended 31/03/15 relating to the transactions referred to in Article 39-4 of the French General Tax Code, in the amount of €22,182, which resulted in a tax charge of €7,638.

##### Second Resolution

###### > Approval of the Group's consolidated financial statements for the fiscal year ended 31/03/15

###### Summary of resolution n° 2

###### Objective:

Approval of Solucom's consolidated financial statements for the fiscal year ended 31/03/15, during which the Group generated net profit of €12,592,140

The General Meeting, acting with the quorum and majority required for Ordinary General Meetings, having considered the Group Management Report included in the Management Report of the Management Board, as well as the Report of the Supervisory Board and the Report of the Statutory Auditors to the consolidated financial statements, approves the consolidated financial statements for the fiscal year ended 31/03/15, as presented, which show a consolidated net profit of €12,592,140.

The General Meeting approves the transactions reflected in these financial statements and summarised in these reports.

##### Third Resolution

###### > Allocation of net income and setting the dividend payout

###### Summary of resolution n° 3

###### Objective:

After approbation of net income in the amount of €12 069, 253, to approve a global dividend payment of €1,907,703, equivalent to a per-share payout of €0.39 on shares eligible to receive dividends

###### Dividend payout policy:

The total dividend payment represents an 18% increase on 2013/14 levels

The dividend represents a payout ratio of 15% of the Group's share of net profit in line with previous years.

###### Distribution date:

As of 31/07/15

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, approves the proposal of the Management Board and decides to appropriate the profit from the fiscal year ended 31/03/15 and to distribute a dividend totalling €1,907,703 as follows:

Profit for the year	€12,069,253
Retained earnings	€10,161,550
<b>Total distributable, and to be distributed, earnings</b>	<b>€1,907,703</b>

Accordingly, the General Meeting sets the per-share dividend for this fiscal year at €0.39 for shares eligible to receive dividends (calculation based on 75,336 treasury shares held by the Company at 31/03/15.)

The dividend will be payable in cash as of 31/07/15.

If at the time of payout, the number of Company treasury shares ineligible for dividend has changed, the subsequent difference corresponding to the dividends not distributed or to be distributed by reason of this difference shall, depending on the case, be credited to, or debited from the "Retained Earnings" account.

As a reminder, for shareholders who qualify, dividends are eligible for tax relief of 40%, as provided for in Article 158.3 2° of the French General Tax Code.

As required by law, the following table lists the dividends paid out in the previous three fiscal years:

Fiscal year	Number of shares receiving dividend <sup>(1)</sup>	Dividend paid per share <sup>(2)</sup>	Portion of dividend eligible for 40% tax relief <sup>(3)</sup>
31/03/14	4,909,331	€0.33	100%
31/03/13	4,909,878	€0.32	100%
31/03/12	4,846,317	€0.22	100%

(1) Solucom's treasury shares not eligible to receive dividends.

(2) Before tax and social deductions.

(3) The Company has not distributed any income that is not eligible for tax relief.

#### Fourth Resolution

##### > Regulated agreements and commitments

###### Summary of resolution n° 4

###### Objective:

*Acknowledge that no new regulated agreements and commitments were authorised, concluded or signed during the fiscal year ended 31/03/15.*

*Acknowledge the information pertaining to the previously-approved agreement still in effect during the fiscal year ended 31/03/15, and which, after review by the Supervisory Board on 09/03/15, was the subject of a Statutory Auditors report.*

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, having considered the Special Report of the Statutory Auditors, in accordance with articles L.225-86, L.225-79-1 and L.225-90-1 of the French Commercial Code acknowledges:

- that no new agreements or commitments were authorised, agreed or signed during the fiscal year ended 31/03/15;
- the information relating to the previously-approved agreement still in effect during the fiscal year ended 31/03/15;
- the absence of previously signed agreements by the Company.

#### Fifth Resolution

##### > Determine the global amount of annual attendance fees

###### Summary of resolution n° 5

###### Objective:

*To determine the global amount of annual attendance fees to be awarded to members of the Supervisory Board for the 2015/16 fiscal period and beyond*

*In its previous decision, the General Meeting of 25/09/13 fixed the global amount of annual attendance fees for Supervisory Board members at €36,000*

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, fixed the global amount of attendance fees to be awarded to members of the Supervisory Board at €50,000 for fiscal 2015/16 and subsequent years until a new decision is taken at a future General Meeting.

#### Sixth Resolution

##### > Appointment of Ms Sarah Lamigeon as a new member of the Supervisory Board.

###### Summary of resolution n° 6

###### Objective:

*Appoint Ms Sarah Lamigeon as a new member of the Supervisory Board*

*The biography of Ms Sarah Lamigeon and reasons for proposing her appointment as a member of the Supervisory Board are given in the Management Board Report (and the summary review of the Company)*

###### Term of office:

*Four years, until the close of the AGM called to approve the financial statements for the fiscal year ending 31/03/19.*

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, having considered the reports of the Management Board and the

Statutory Auditors, decides to appoint Ms Sarah Lamigeon as a new member of the Supervisory Board for a statutory period of four years, until the close of the General Meeting called to approve the financial statements for the fiscal year ending 31/03/19.

The General Meeting acknowledges the fact that Sarah Lamigeon has an employment contract with the Company and serves as Director of Communications; her employment contract and the functions she exercises are distinct from and independent of the functions she would exercise as a member of the Supervisory Board.

The General Meeting acknowledges that this appointment is compliant with the provisions laid down in Article L.225-85, paragraph 2 of the French Commercial Code.

### Seventh Resolution

#### > Appointment of Mr Rafaël Vivier as a new member of the Supervisory Board

##### Summary of resolution n° 7

###### Objective:

*Appoint Mr Rafaël Vivier as a new member of the Supervisory Board.*

*The biography of Mr Rafaël Vivier and reasons for proposing his appointment as a member of the Supervisory Board are given in the Management Board Report (and the summary review of the Company)*

###### Term of office:

*Four years, until the close of the AGM called to approve the financial statements for the fiscal year ending 31/03/19.*

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, having considered the report of the Management Board and the report of the Statutory Auditors, decides to appoint Mr Rafaël Vivier as a new member of the Supervisory Board for a statutory period of four years, until the close of the General Meeting called to approve the financial statements for the fiscal year ending 31/03/19.

### Eighth Resolution

#### > Authorise the Management Board to implement a new programme to buy back Company shares and cancel the previous authorisation: purchase price capped at €100 per share

##### Summary of resolution n° 8

###### Objective:

*Authorise the Management Board to buy back Company shares.*

*Maximum purchase price set at €100 per share and maximum number of shares purchased capped at 10% of the share capital less the amount of treasury stock already owned by the Company. The ceiling on the number of purchasable shares is reduced to 5% for shares acquired for use at a later date as payment in exchange, merger, contributions and external growth operations.*

*The objectives of this share buyback programme are detailed in the eighth resolution below and in the share buy-back programme description in Solucom's 2014/15 Registration Document, available on the Company website: [www.solucom.fr](http://www.solucom.fr).*

###### Summary features of previous programme at 31/03/15:

- 69,717 treasury shares purchased in fiscal 2014/15 and 46,119 treasury shares sold ;
- Trading charges amounted to €2,863 ;
- 10,050 free shares granted to employees over the period ;
- 75,336 shares written to the balance sheet;
- Treasury shares represented 1.52% of the Company's total share capital.
- These shares are not eligible to receive dividends.

###### Duration of the authorisation;

*Eighteen (18) months*

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, having considered the report of the Management Board, authorises the Management Board, with the power of sub-delegation, to have the Company buy back its own shares, under the legal and regulatory terms and conditions applicable at the time of trading, and in particular pursuant to the terms and obligations imposed by Articles L.225-209 and seq. of the French Commercial Code, European Regulation 2273/2003 dated 22/12/03, and the General Regulations of the AMF.

This authorisation may be used by the Management Board for the following purposes:

- To stimulate trading on the secondary market for, and ensure the liquidity of Solucom shares by concluding a liquidity contract with an independent investment services provider in accordance with the Ethics Charter recognised by the AMF;
- To retain the purchased shares for use, at a later date, as payment or exchange in external growth operations;
- To grant or, as the case may be, sell shares to employees and/or corporate officers of the Company or companies within the Group, in accordance with the conditions and formalities provided by law, notably in the case of profit-sharing and share-ownership plans, as well as the setting up of company and inter-company savings plans, and the implementation and coverage of all stock-option and free-share plans;
- To retain shares for exchange purposes in the event rights attached to securities giving access in any way to Company capital are exercised.

The General Meeting hereby decides that:

- the purchase, sale, exchange or transfer of the shares may be carried out by any means, on a stock exchange or over the counter, in the form of a block purchase or sale, without limitation on the portion of the buyback programme that may be executed by such means. These transactions may be executed at any time, other than during periods of public offerings on Company shares, in compliance with applicable regulations.
- the number of shares that the Company may buy under the present resolution is capped at 10% of the share capital, in accordance with Article L.225-209 of the French Commercial Code, including those bought under previous such authorisations granted by the Ordinary Shareholders Meeting, it being specified that i) the number of shares bought to be held and used at a later date or to be exchanged in the context of a merger, spin-off or contribution operation, must not exceed 5% of the Company's share capital, and ii) when shares are bought for the purposes of a liquidity contract, the 10% calculation applies to the number of shares acquired less the number sold during the term of this authorisation;
- the maximum purchase price per share is capped at €100 (excluding trading charges), it being specified that in the event of transactions carried out on the Company's share capital ( notably capital increases by incorporation of reserves and allocation of free shares), and involving splits and reverse-splits, the price and number of shares mentioned above will be adjusted by a factor equal to the ratio between the number of shares making up the capital before the transaction, and the number of shares comprising the capital after the transaction;

- the total amount of funds allocated for treasury share purchase must not exceed €42, 135,200, subject to available reserves;
- this authorisation cancels and replaces the previous authorisation granted in the tenth resolution by Combined Ordinary and Extraordinary Shareholders Meeting on 11/07/14. It is valid for a minimum period lasting until the close of the General Meeting called to approve the financial statements for the fiscal year ending 31/03/16, and for up to a maximum of 18 months as of today.

The General Meeting grants all powers to the Management Board, including that of sub-delegation, to set up and implement a share buyback plan, and in particular to:

- launch and implement this buyback plan;
- place, within the limits specified above, any trades through a stock exchange or via an over-the-counter operation in compliance with applicable regulations;
- adjust the share purchase price to take into account the impact of transactions on the Company's share price;
- sign any registrar agreements to maintain registers of share purchases and sales;
- ensure full traceability of transactions;
- make all declarations and carry out all formalities with the appropriate organisations, notably the French Financial Markets Authority (AMF), and file all stock purchase/sale information (or request this be filed by securities service) in the sales/purchase record, as required under articles L.225-211 and R.225-160 of the French Commercial Code;
- fulfil all other formalities and, in general, do everything else that is necessary;
- ensure that the Works Council is informed that the present resolution has been adopted, in accordance with the provisions of Article L.225-209, paragraph 1 of the French Commercial Code;
- ensure that the shareholders are informed at the next Annual General Meeting of the precise allocation of the shares purchased for the specific purposes indicated.

## II. Extraordinary shareholders meeting

### A. Financial authorisations

The 25/09/13 General Shareholders Meeting granted several financial authorisations enabling the Management Board to increase the share capital and issue securities reserved for, and designed to retain its employees and corporate officers.

Of these delegations, only the 17th resolution relative to free-share allocations was used. The other delegations were not used and are due to expire shortly.

Management requests that once again you delegate its powers related to the financial management of the Company and renew the previous authorisations.

The purpose of all of the authorisations and financial delegations described in this report is to:

- render the Company more flexible and enable it to react more rapidly so that, if needs be, it can make a call on the markets to raise the funds necessary to finance its expansion, and
- enable the Company to implement financial incentives to retain its employees and corporate officers.

Resolutions relative to capital increases fall into two main categories, namely: share issues with pre-emptive subscription rights maintained, and those without pre-emptive subscription rights maintained.

All security issues with pre-emptive subscription rights (PSR) that are detachable and exchangeable throughout the subscription period, give shareholders the right to subscribe, for a minimum period of five (5) days from the opening of the subscription period (equivalent to five (5) trading days) to a number of new shares proportionate to their existing interest in the share capital.

Your Management Board requests that you grant it the power to cancel the pre-emptive subscription rights for some of these resolutions. Existing shareholders would however benefit, under these resolutions, from a priority period of at least five (5) trading days.

Note that, delegations of authority approved by the General Assembly and which grant your Management Board the powers to issue shares and marketable securities reserved for members of employee savings plans would, in accordance with legal provisions, entail an obligation for the shareholders concerned to waive their pre-emptive subscription rights in favour of beneficiaries of the shares to be issued or allotted.

All of these authorisations would be granted for a limited period only. In addition, the Management Board would only

be able to increase the share capital up to i) the ceilings specific to each resolution, and ii) the overall ceiling set in the thirteenth and eighteenth resolutions. This also applies to issues of debt securities which would be capped at i) the ceilings specific to each resolution, and ii) the overall ceiling set in the thirteenth resolution.

Note that, as in the past:

- these authorisations do not cover preference shares and marketable securities giving access to preference shares;
- these issues are strictly limited to the Company and are not granted to subsidiaries;
- the financial authorisations granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13 will be discontinued.

In addition, the Management Board specifies that the texts of the resolutions submitted for your approval take the following factors into account:

- a) the entry into force of the Ordinance dated 31/07/14 and the modifications made to the Articles of the French Commercial Code relative to complex marketable securities issues:
  - Prior to this ordinance coming into force, transactions involving the issue of marketable securities giving access to existing or to-be-issued capital, and those entitling shareholders to the allotment of debt securities fell within the jurisdiction of the Extraordinary Shareholders Meeting, even when such transactions did not imply a potential capital increase.
  - Henceforth, issues of marketable securities which do not entail the immediate or future issue of equity instruments, but only the right to receive debt securities and/or access to existing company shares, and, as such, do not involve any potential capital increase, fall within the jurisdiction of the Management Board.

- b) the entry into force of the Florange Law on 29/03/14:
 

This law overturned the principles that used to apply by ensuring that, unless otherwise stipulated in the Articles of Association, the Management Board of a company whose shares are admitted for trading on a regulated market could, during periods of public offer, make all decisions necessary to prevent an IPO on said company. Accordingly, delegations granted relating to capital increases are no longer automatically suspended during periods of public offers targeting the shares of the company.

Nonetheless, the Solucom Management Board proposes that the delegations submitted for approval by the General Shareholders Meetings be suspended during periods of public offer initiated by another company on Solucom shares.

## Ninth Resolution

### > Delegation of powers to the Management Board to issue ordinary shares and/or marketable securities giving access to share capital with pre-emptive subscription rights maintained

#### Summary of resolution n° 9

##### Objective:

*Delegate powers to the Management Board to increase the Company's share capital by issuing ordinary shares and/or all types of marketable securities, with pre-emptive subscription rights maintained, giving access, by any means, either immediately and/or in the future, to the Company's share capital.*

*In the case of ordinary shares and marketable securities issued under the present resolution, shareholders would receive pre-emptive subscription rights proportionate to their existing interest in the share capital, either on a non-reducible basis or, if the Management Board so decides, a reducible basis.*

##### Ceilings:

*Capital increase : nominal value of €248,344.10, equivalent to 50% of the current share capital*

*Debt securities giving immediate or future access to the Company's capital: €40,000 000.*

*These operations will be deducted from the ceiling fixed in the thirteenth resolution*

##### Validity of delegation of powers:

*Twenty six (26) months*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board and the Special Report of the Statutory Auditors, pursuant to Articles L.225-129 and seq. and notably L.225-129-2, L.225-134, L.228-91 and L.228-92 of the French Commercial Code:

1. Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.
2. Delegates powers to the Management Board to raise the capital of the Company, on one or more occasions, in the proportion and at the time deemed fit, in France or outside France (in euros or any foreign currency) by issuing ordinary shares and/or marketable securities giving access by any means, either immediately or in the future, to shares to be issued by the Company, for which the subscription may be carried out in cash or by the offsetting of receivables. This authorisation expressly excludes the issuance of preferred

stock and marketable securities giving access to preferred shares.

3. Cap the nominal amount of capital increases that could be carried out, either immediately or in the future under the present resolution, at €248, 344.10 (equivalent to 50% of the Company's current share capital). If needs be, this ceiling could be increased by the nominal amount of additional shares issued to preserve, in accordance with the law, shareholders rights attached to the marketable securities giving access to Company's share capital.

4. Cap the amount of debt securities that could be issued under the present resolution at €40,000,000 or its foreign-currency equivalent; this ceiling is independent of the amount of debt securities whose issuance would be decided and authorised by the Management Board, in accordance with Article L.228-40 of the French Commercial Code (simple obligations).

5. Decide that shareholders could, in accordance with statutory conditions, exercise their non-reducible pre-emptive subscription rights on ordinary shares to be issued and on marketable securities giving access to shares to be issued by the Company. In addition, the Management Board shall have the possibility of granting shareholders the right to subscribe, on a reducible basis, to a number of ordinary shares and/or marketable securities giving access to shares to be issued by the Company which is greater than the number they may subscribe to on an irreducible basis, proportionally to their subscription rights and, in any event, up to the limit of the number they request. If the subscriptions made on an irreducible basis and, if applicable, a reducible basis, have not absorbed all of the shares and/or securities issued as defined above, the Management Board may, as it deems fit, and in any order it considers appropriate, make use of the provisions specified in Article L.225-134 of the French Commercial Code.

6. Decide that without prior authorisation from the General Meeting, the Management Boards' powers to make use of the present authorisation shall be suspended from the time a takeover bid is filed by a third party on the Company's shares up until the end of the period for acceptance of said offer.

7. Take formal note that the authorisation given in the present resolution implies that shareholders waive their pre-emptive subscription rights to ordinary shares to which securities issued under the present delegation may be entitled.

8. Decide that the Management Board shall have all powers including that of sub-delegation under the conditions fixed by



law, to i) implement this delegation of powers, ii) determine the terms of share issue (notably the form and characteristics of marketable securities to be created) and release, iii) record the completion of the resulting increases in capital and proceed with any necessary adjustments in order to take account of the impact of the transaction on the Company's share capital, iv) fix the mechanism for the preservation of rights of holders of marketable securities giving access to the share capital of the Company, in accordance with legal and regulatory provisions, and v) proceed with the correlative amendment of the Articles of Association. In addition, the Management Board may make any accounting entries to issue premiums notably in respect of costs arising from the issue of securities and generally take all steps and sign any agreements to successfully complete the planned issues.

9. Decide that, in the case of debt-security issuance, the Management Board shall have full powers including that of sub-delegation under the conditions fixed by law, notably to decide whether debt is to be subordinated or not, to set the interest rate, the issuing currency, the maturity, the redemption price, (fixed or variable / with or without bonus), to define amortisation terms in accordance with market conditions, and to determine conditions under which securities may carry rights to ordinary Company shares.

10. The Management Board will report to shareholders on how it has used this delegation of power in accordance with the provisions specified in Article L.225-100 of the French Commercial Code.

11. This delegation of powers is granted to the Management Board for a period of twenty six (26) months as of today.

## Tenth Resolution

### > Delegation of powers granted to the Management Board to issue ordinary shares and/or marketable securities giving access to share capital without pre-emptive subscription rights maintained by way of a public offering

#### Summary of resolution n° 10

##### Objective:

*Delegate powers to the Management Board to increase the Company's share capital by issuing, via a public offering, and without pre-emptive subscription rights maintained, ordinary shares and/or all types of marketable securities giving access, by any means, either immediately and/or in the future, to shares to be issued by the Company, but with a priority right for existing shareholders of five (5) day, other than in legal exceptions.*

#### Ceilings:

*Capital increase: nominal value of €99,337,64, equivalent to 20% of the current share capital*

*Debt securities giving immediate or future access to the Company's capital: €15,000,000.*

*These transactions to be deducted from the ceiling fixed in the 13th resolution*

#### Validity of delegation of powers:

*Twenty six (26) months*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board and the Special Report of the Statutory Auditors, pursuant to Articles L.225-129 and seq. and notably L.225-129-2, L.225-134, L.225-135, L.225-136, L.225-148, L.228-91 and L.228-92 and seq. of the French Commercial Code:

1. Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.

2. Delegates powers to the Management Board to raise the capital of the Company by way of a public offering, on one or more occasions, in the proportion and at the time deemed fit, in France or outside France (in euros or any foreign currency) by issuing, without pre-emptive subscription rights maintained, shares and/or marketable securities giving access by any means, either immediately or in the future to shares to be issued by the Company, for which the subscription may be carried out either in cash or by the offsetting of receivables.

This authorisation expressly excludes the issuance of preferred stock and marketable securities giving access to preferred shares.

3. Caps the nominal amount of capital increases that could be carried out, either immediately or in the future under the present resolution, at €99,337.64 (equivalent to 20% of the Company's current share capital). This ceiling could be increased by the nominal amount of additional shares issued to preserve, in accordance with the law, shareholders rights attached to the marketable securities giving access to the Company's share capital.

4. Caps the nominal amount of debt securities likely to be issued under the present resolution at €15,000,000 or its foreign-currency equivalent; this ceiling is independent of the amount of debt securities whose issuance would be decided and authorised by the Management Board, in accordance with Article L.228-40 of the French Commercial Code.

5. Decides to waive the preferential subscription rights of shareholders giving access to ordinary shares and marketable securities giving access to Company share capital, it being understood that the Management Board would be required to

grant shareholders a priority subscription right of no less than five (5) days. This priority subscription right will not give rise to the creation of negotiable rights but could, if the Management Board deems it appropriate, be exercised on an irreducible or a reducible basis.

**6.** Decides that without prior authorisation from the General Meeting, the Management Boards' powers to make use of the present authorisation shall be suspended from the time a takeover bid is filed by a third party on the Company's shares up until the end of the period for acceptance of said offer.

**7.** Takes formal note that the authorisation given in the present resolution implies that shareholders waive their pre-emptive subscription rights to ordinary shares to which the marketable securities issued under the present delegation may be entitled.

**8.** Decides that if the subscriptions of the shareholders and of the public have not absorbed all of the shares and/or the marketable securities issued as defined above, the Management Board may, as it deems fit, and in any order it considers appropriate, make use of the provisions specified in Article L.225-134 of the French Commercial Code.

**9.** Decides that the issue price of ordinary shares will be at least equal to the minimum price specified by applicable regulatory provisions on the day of issuance.

**10.** Decides that the present delegation may be used to issue shares and/or marketable securities giving immediate or future access, by any means, to shares to be issued by the Company for the purposes of remunerating securities tendered to the Company within the framework of a public exchange offer initiated by the Company in France or abroad, in accordance with local rules applying to securities, in accordance with the conditions laid down in Article L.225-148 of the French Commercial Code; it being specified that i) in this event, the provisions relative to paragraphs 5 and 9 of the present resolution would not apply for the remuneration of securities tendered to the Company within the framework of a public exchange offer in accordance with Article L.225-148 of the French Commercial Code, and ii) the total nominal amount of securities issued within this framework would be deducted from the ceiling fixed in paragraphs 3 and 4 of the present resolution.

**11.** Decides that the Management Board shall have all powers including that of sub-delegation, under the conditions fixed by law, to i) implement this delegation of powers, ii) determine the terms of share issue (notably the form and characteristics of marketable securities to be created) and release, iii) record the

completion of the resulting increases in capital and proceed with any necessary adjustments in order to take account of the impact of the transaction on the Company's share capital, iv) fix the mechanism for the preservation of rights of holders of marketable securities giving access to the share capital of the Company, in accordance with legal and regulatory provisions, and v) proceed with the correlative amendment of the Articles of Association. In addition, the Management Board may make any accounting entries to issue premiums notably in respect of costs arising from the issue of securities and generally take all steps and sign any agreements to successfully complete the planned issues.

**12.** Decides that in the event of ordinary shares and/or debt securities giving access to the Company's share capital being issued for the purposes of remunerating securities tendered to the Company within the framework of a public exchange offer on shares in a company traded on a regulated market, as specified in Article L.225-148 of the French Commercial Code, the Management Board shall have all powers, with the possibility of sub-delegation under the conditions laid down by law, to fix the parity rate and the amount of any cash portion to be paid, and record the number of securities contributed to the exchange, as well as the number of ordinary shares or marketable securities to be created in payment; to determine the dates and the conditions of issuance, notably the price and vesting date of the new ordinary shares, or as the case may be, of the marketable securities giving access to the share capital of the Company: to post the difference between the issue price of new ordinary shares and their nominal value under balance-sheet liabilities in a contribution premium account for recording all shareholder rights, to which may be allocated all the costs and duties arising from the transaction.

**13.** Decides that, in the case of debt security issuances, the Management Board shall have full powers including that of sub-delegation under the conditions fixed by law, notably to decide as to whether debt is to be subordinated or not, to set the interest rate, the maturity, the redemption price, (fixed or variable / with or without bonus), to define amortisation terms in accordance with market conditions, and to determine conditions under which securities may carry rights to Company shares.

**14.** The Management Board will report to the shareholders on how it has used this delegation of power in accordance with the provisions specified in Article L.225-100 of the French Commercial Code.

**15.** This delegation of powers is granted to the Management Board for a period of twenty six (26) months as of today.



## Eleventh resolution

- > **Delegation of powers granted to the Management Board to increase the number of shares to be issued in the event a capital increase is oversubscribed, with or without pre-emptive subscription rights, within the limit of 15% of the initial issue**

### Summary of resolution n° 11

#### Objective:

*Delegate powers to the Management Board to increase the share capital, with or without pre-emptive subscription rights attached, by issuing additional ordinary shares and all types of marketable securities giving access to shares to be issued by the Company during a period of thirty (30) days after the closing of the subscription, within the limit of i)15% of the initial issue, and ii) the ceiling fixed in the resolution relative to the initial capital increase, and at the same price as that decided for the initial issue.*

#### Ceiling:

*15% of initial amount of shares issued*

#### Validity of delegation of powers:

*Twenty six (26) months*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the Report of the Management Board and the Special Report of the Statutory Auditors, in accordance with the provisions of articles L.225-129 and seq. and notably L.225-129-2, L.225-135, L.225-135-1 and seq., L.228-91 and L.228-92 of the French Commercial Code:

1. Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.
2. Delegates powers to the Management Board to decide, in the event that the capital increases authorised under the ninth and tenth resolutions are oversubscribed, to increase the number of ordinary shares and marketable securities to be issued, in accordance with the provisions specified in Article L.225-135-1 of the French Commercial Code, within thirty (30) days of the closure of the subscription period, at the same price as the initial issue, and up to 15% of the initial issue, subject to the ceiling fixed in the resolution relative to the initial capital increase, and within the limit of the ceilings fixed in the thirteenth resolution.

3. Decides that without prior authorisation from the General Meeting, the Management Boards' powers to make use of the present authorisation shall be suspended from the time a takeover bid is filed by a third party on the Company's shares up until the end of the period for acceptance of said offer.

4. Decides that the Management Board shall have the same powers, including that of sub-delegation under the conditions fixed by law, as those conferred to it in the ninth and tenth resolutions above, subject to applicable legal and regulatory dispositions.

5. Decides that the delegation of powers is granted to the Management Board for a period of twenty six (26) months as of today.

## Twelfth Resolution

- > **Delegation of powers granted to the Management Board to issue ordinary shares and/or marketable securities giving access to up to 10% of the share capital, without pre-emptive subscription rights, to remunerate contributions-in-kind granted to the Company in the form of shares or marketable securities of third-party companies, except in the event of a public exchange offer.**

### Summary of resolution n° 12

#### Objective:

*Delegate powers to the Management Board to decide, on the basis of the Report of the Capital Contributions Auditor, to increase the share capital for the purposes of remunerating contributions-in-kind granted to the Company in the form of shares or marketable securities giving rights to the share capital of third-party companies, except in the event of a public exchange offer initiated by the Company.*

*The purpose of this resolution is to enable the Company to finance acquisitions of and mergers with, other companies in paper rather than in cash.*

#### Ceiling:

*Capital increase: 10% of share capital.*

*Debt securities giving immediate and/or future access to the Company's capital : €15,000,000*

*These operations will be deducted from the ceilings fixed in resolutions 10 and 13.*

#### Validity of delegation of powers:

*Twenty six (26) months*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board and the Special Report of the Statutory Auditors, in accordance with

the provisions of articles L.225-129 and seq. and notably L.225-129-2 and L.225-147 of the French Commercial Code:

**1.** Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.

**2.** Delegates powers to the Management Board to decide, on one or more occasions, on the basis of the Report of the Capital Contributions Auditor to issue ordinary shares and/or marketable securities giving access by any way, immediately or in the future to ordinary shares to be issued for the purposes of remunerating contributions-in-kind granted to the Company in the form of shares and/or marketable securities giving access to third-party share capital when the provisions of Article L.225-148 of the French Commercial Code are not applicable.

**3.** Fixes the total nominal amount of capital increases that may be carried out pursuant to the present resolution, immediately and/or in the future at 10% of the share capital on the date of the present General Meeting. This nominal amount will be deducted from the ceiling fixed in the tenth resolution up to the global limit fixed in the thirteenth resolution.

**4.** Caps the total nominal amount of debt securities that may be issued pursuant to the present resolution at €15,000,000, or their foreign-currency equivalent, on the date of deciding the issuance, it being specified that this amount shall not include the reimbursement of above-par premium(s) if any have been provided for. This nominal amount will be deducted from the ceiling fixed in the tenth resolution up to the global limit fixed in the thirteenth resolution.

**5.** Decides that without prior authorisation from the General Meeting, the Management Boards' powers to make use of the present authorisation shall be suspended from the time a takeover bid is filed by a third party on the Company's shares up until the end of the period for acceptance of said offer.

**6.** Decides to waive the preferential subscription rights of shareholders issued under the present resolution.

**7.** Takes formal note that the present authorisation expressly implies that shareholders waive their pre-emptive subscription rights to shares and/or marketable securities to which the marketable securities issued under the present resolution may be entitled.

**8.** The Management Board shall have full powers, including that of sub-delegation under the conditions fixed by law, to implement this delegation, including notably the power to decide, on the basis of the Report of the Capital Contributions Auditor, on the evaluation of capital contributions and, should

any special advantages be granted, fix the number of shares and/or marketable securities giving access to the Company's share capital, and, if necessary, adjust the value thereof, record the final completion of the capital increases pursuant to this delegation, proceed with the correlative amendment of the Articles of Association, carry out all formalities and declarations, and, if necessary, deduct the contribution premium(s) and notably the costs arising from these issuances, and generally, do all that is necessary.

**9.** This delegation of powers is granted to the Management Board for a period of twenty six (26) months as of today.

### Thirteenth Resolution

#### > Global ceilings on delegations authorised under resolutions nine to twelve

##### Summary of resolution n° 13

##### Objective:

*Fix the maximum nominal amount of capital increases that could be carried out, either immediately or in the future, under the authorisations granted in the ninth and twelfth resolutions at €248,344.10, equivalent to 50% of the share capital; the individual ceilings of each of these resolutions is included in the global ceiling.*

*Fix the maximum nominal amount of marketable securities that could be issued under the ninth and twelfth resolutions at €40,000,000; the individual ceilings of each of these resolutions are included in the global ceiling.*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the Report of the Management Board, and as such the adoption of the ninth, tenth, eleventh and twelfth resolutions, decides to:

- cancel, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13 ;
- cap the maximum nominal amount of capital increases that may be carried out, either immediately or in the future pursuant to the above-mentioned authorisations at €248,344.10, with the knowledge that this nominal amount may be increased by the nominal amount of additional securities issued to preserve the rights of holders of marketable securities giving access to shares, in accordance with law;
- cap the maximum nominal amount of debt securities that may be issued pursuant to the above-mentioned authorisations at €40,000,000.

## Fourteenth Resolution

### > Delegation of powers granted to the Management Board to increase the share capital by incorporation of reserves, profits, premiums and other amounts

#### Summary of resolution n° 14

##### Objective:

*Delegate powers to the Management Board to increase the Company's share capital by incorporation of reserves, profits, premiums and other amounts, the capitalisation of which is legally permitted and compliant with the Articles of Incorporation, by means of the free allocation of shares or increasing the nominal value of existing shares, or a combination of both.*

##### Independent ceiling:

*Capital increase : nominal value of €400, 000*

##### Validity of delegation of powers:

*Twenty six (26) months*

The General Meeting, acting with the quorum and majority required for Ordinary Shareholder Meetings, having considered the Report of the Management Board, in accordance with the provisions of articles L.225-129 and seq. and notably L.225-129-2 and L.225-130 of the French Commercial Code: :

1. Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.

2. Delegates powers to the Management Board to raise the capital of the Company on one or more occasions, in the proportions and at such times it deems appropriate, up to a maximum nominal amount of €400,000 by the successive or simultaneous incorporation of all, or part of the reserves, profits, issue and merger premiums and other amounts, to be carried out via the creation and free allocation of ordinary shares or by increasing the nominal value of securities or a by a combination of both; it being specified that this nominal amount may be increased by the capital required to preserve, in accordance with law, the rights of holders of marketable securities giving access to shares, stock options and free shares.

This ceiling is independent and autonomous of those fixed in the thirteenth and eighteenth resolutions.

3. Decides that without prior authorisation from the General Meeting, the Management Boards' powers to make use of the present authorisation shall be suspended from the time a takeover bid is filed by a third party on the Company's shares up until the end of the period for acceptance of said offer.

4. Decides that fractions of shares shall be neither negotiable nor transferable and that the corresponding shares shall be sold; the amounts deriving from the sale shall be allocated to the holders of the rights within the regulatory deadline.

5. Confers full powers including that of sub-delegation under the conditions fixed by law on the Management Board to implement the present delegation, and notably to determine the dates and conditions of the issuances, proceed with any adjustments, preserve shareholders' rights, determine the issue prices, conditions and amounts, and generally, take all steps to ensure the success thereof, carry out all legal formalities to finalise the corresponding capital increases, and proceed with the correlative amendment of the Articles of Association.

6. This delegation of powers is granted to the Management Board for a period of twenty six (26) months as of today.

## Fifteenth Resolution

### > Delegation of powers granted to the Management Board to increase the share capital on one or more occasions by issuing ordinary shares and marketable securities giving immediate or future access to the Company's share capital, without pre-emptive subscription rights, for the benefit of employees and corporate officers of the Company and companies it controls with at least one Director.

#### Summary of resolution n° 15

##### Objective:

*Delegate powers to the Management Board to carry out a capital increase reserved for employees and corporate officers of the Company and the French companies in the Group who are subscribers to an employee savings scheme.*

##### Ceiling:

*5% of share capital.*

*The ceiling of the present delegation is subject to the general ceiling fixed in the 18th resolution for authorisations corresponding in fifteenth and seventeenth resolutions.*

##### Validity of delegation of powers

*Twenty six (26) months*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the Report of the Management Board and the Special Report of the Statutory Auditors, and in accordance with the provisions of Articles L.3332-18 and seq. of the French Labour Code and Articles L.225-129-2 to L.225-129-6 and seq. and Article L.225-138-1 of the French Commercial Code:

**1.** Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.

**2.** Authorises the Management Board to increase the share capital, on one or more occasions at will, by issuing ordinary shares and marketable securities giving access to the Company's share capital for the benefit of employees and corporate officers of the Company and/or of a company in the Group to which it is related, in accordance with Articles L.225-180 of the French Commercial Code and L.3344-1 of the French Labour Code, who are subscribers of (i) an employee savings scheme and/or (ii) a Group savings plan. The capital increase is capped at 5% of the share capital on the day the delegation is used, it being specified that this amount is independent, autonomous and distinct from those fixed in resolutions nine to thirteen, but combine with those fixed in the sixteenth and seventeenth resolutions below, within the global ceiling for these three resolutions as specified in the eighteenth resolution.

To this ceiling may be added the nominal value of ordinary shares to be issued so as to preserve the rights of holders of marketable securities giving access to the Company's share capital, in accordance with legal rules.

**3.** Decides to waive, in favour of the afore-mentioned beneficiaries, the preferential subscription rights of new ordinary shares and/or marketable securities to be issued, and to the shares and securities which may, under this resolution, be granted entitlement, and to waive rights to receive any ordinary shares and marketable securities giving access to the share capital of the Company that may be allotted under the terms of this resolution;

**4.** Decides that the subscription price of new shares fixed by the Management Board, in accordance with the provisions of Article L.3332-19 of the French Labour Code, for each issuance, shall not be less than a maximum of 20% (or 30% in some cases specified by law) of the average opening price on the Euronext Paris market over the last twenty trading days preceding the date of the decision setting the subscription-period opening date.

**5.** Authorises the Management Board to freely allocate ordinary shares and/or marketable securities giving immediate or future access to ordinary shares of the Company in substitution for all or part of the discount and/or, where applicable, the employer's contribution in relation to the share issue price, it being understood that the total benefit arising from the allotment of the discount and/or the employer's contribution to the share-issue price may not exceed the statutory or regulatory limits.

**6.** Authorises the Management Board under the conditions of the present delegation to undertake sales of shares reserved for subscribers to an employee savings plan as provided for in Article L.3332-24 of the French Labour Code, it being specified that shares sold at a discount to members of one or more of the employee savings plans covered by the present resolution will be deducted, for up to the nominal amount of the shares sold, from the ceiling cited in paragraph 1 above.

**7.** Decides that the characteristics of the marketable securities giving access to share capital are to be defined by the Management Board under the conditions fixed by law.

**8.** The General Meeting grants the Management Board all powers, including that of sub-delegation under the conditions fixed by law, to implement the present delegation and notably to:

- determine and fix the terms of the issue and the free allocation of shares and/or marketable securities giving access to share capital, in application of the present delegation;
- determine the amount to be issued, the issue price and the terms of each issuance;
- set the opening and closing dates of the subscription period;
- set, within legal limits, the period granted to subscribers to pay up their shares and/or marketable securities giving access to share capital of the Company;
- set the date, which may be retroactive, when the new ordinary shares and, if applicable, the marketable securities giving access to share capital qualify for dividend;
- set the terms and conditions of the transactions which will be carried out by virtue of the present delegation and request permission for the created securities to be traded on the regulated market(s) of its choice.

**9.** The Management Board will also have all powers, including that of sub-delegation, to record the completion of capital increases to reflect the amount of shares actually subscribed and amend the Articles of Association accordingly; to carry out directly, or through an intermediary, all transactions and formalities related to the share capital and, at its sole discretion and as it deems appropriate, charge the costs of the capital increases against the amount of the share premiums arising thereon and deduct from this amount the sums necessary to increase the legal reserve to one-tenth of the new share capital after each capital increase, to carry out all formalities and file all declarations with the relevant bodies, and generally do all that is necessary.

**10.** This delegation of powers is granted to the Management Board for a period of twenty six (26) months as of today.

## Sixteenth Resolution

### > Authorisation granting the Management Board the power to freely allocate existing and to-be-issued shares without pre-emptive subscription rights maintained, for the benefit of corporate officers and/or employees of the Company and some or all of the Group's companies

#### Summary of resolution n° 16

##### Objective:

*Delegate powers to the Management Board to freely allocate existing or to-be-issued shares without pre-emptive subscription rights for the benefit of employees and/or corporate officers of the Company and the companies in its Group.*

*In accordance with law, employees and corporate officers owning more than 10% of the Company's share capital free shares are not eligible to receive free shares. Note that, in the case of allocations granted to the corporate officers of Solucom, the Company will apply the recommendations of the MiddleNext Governance Code to which the Company adheres, as well as those of the AMF, and the regulatory provisions laid down in the 03/12/08 Law in favour of employment income.*

##### Ceiling:

*The amount of this authorisation is capped at:*

- 1% of the Company's share capital for the allocation of free shares reserved for Solucom's corporate officers,
- 6% of the Company's share capital for the allocation of free shares reserved for Solucom's employees.

*This percentage is determined on the date of the issue.*

*The ceiling of the present delegation is subject to the general ceiling fixed in the eighteenth resolution for authorisations granted in the fifteenth and seventeenth resolutions.*

##### Validity of delegation of powers:

*This delegation of powers is valid for a period of thirty eight (38) months.*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the Report of the Management Board and the Special Report of the Statutory Auditors, in accordance with the provisions and under the conditions specified in Articles L.225-197-1 to L.225-197-6 of the French Commercial Code:

1. Cancels, with immediate effect, the delegation of powers granted by the Combined Ordinary and Extraordinary Shareholders Meeting on 25/09/13.

2. Grants the Management Board the power to freely allocate, on one or more occasions, existing or to-be-issued shares for the benefit of employees or certain categories of employees of the Company and corporate officers, as defined in Article L.225-197-1 II of the French Commercial Code, as well as employees and corporate officers of the Company's subsidiaries, pursuant to Article L.225-197-2 of the Commercial Code.

3. Decides that the total amount of existing and/or to be issued shares which could be allocated under the present authorisation may not exceed:

- a) 1% of the share capital on the date the Management Board makes the decision to allocate free shares to the Company's corporate officers,
- b) 6% of the share capital on the date the Management Board makes the decision to allocate free shares to the Company's employees.

It is specified that the amounts cited in paragraphs a) and b) above are independent, autonomous and distinct from those fixed in the ninth and thirteenth resolutions but combine with those set in fifteenth and seventeenth resolutions within the global ceiling for these three resolutions as specified in the eighteenth resolution.

4. Authorises the Management Board to proceed (cumulatively or alternatively and within the limits fixed in the preceding paragraph) with:

- the allocation of existing shares arising from buyback operations carried out by the Company under the provisions laid down in Articles L.225-208 and L.225-209 of the French Commercial Code and/or,
- the allocation of shares to be issued by way of a capital increase; in this case, the General Meeting authorises the Management Board to increase the share capital by incorporation of reserves for up to the corresponding nominal amount of the new shares to be issued, and ensures that, in accordance with the law, the beneficiaries designated by the Management Board to receive the free shares allocated automatically waive their pre-emptive subscription rights on the shares to be issued.

5. The General Meeting hereby decides to:

- fix the minimum vesting period after which beneficiaries may definitively acquire their rights at two years as of the date when the allotment rights are approved by the Management Board, it being specified that these rights shall not be transferable until the end of this period, pursuant to Article L. 225-197-3 of the French Commercial Code;



nevertheless, in the event of the death of a beneficiary, the heirs may request that the shares be granted within a period of six months of the date of death; furthermore, in accordance with the provisions of Article L.225-197-1 I, paragraph 5, shares may be definitively granted before the end of the vesting period should the beneficiary be a victim of a disability that falls within the second or third disability categories defined by Article L. 341-4 of the French Social Security Code.

- set the minimum conservation period at two years as from the date of their definitive granting; nevertheless, the Management Board may reduce or remove the two-year conservation period if the vesting period specified in the paragraph above is at least four years; during the period of conservation, the shares shall be freely assignable in the case of the beneficiary's death, or should the beneficiary become disabled, in accordance with applicable regulations.
- 6.** The General Meeting grants the Management Board all powers, including that of sub-delegation under the conditions fixed by law, and within the limits determined above, to:
- determine the identity of the beneficiaries, and/or the category or categories of share allocation, it being specified that employees and corporate officers of the Company owning more than 10% of the share capital are not eligible to receive free shares,
  - in the case of free share allocation to corporate officers:
    - ensure that the Company fulfils one or several conditions specified in Article L.225-197-6 of the French Commercial Code and takes all measures to this effect;
    - ensure the Supervisory Board decides that the allotted shares cannot be transferred before expiry of board-members' mandates, and/or determine the number of said shares that these beneficiaries must conserve in their own names until expiry of their terms of office, in accordance with the provisions of Article L.225-197-1 II, paragraph 4 of the French Commercial Code.
  - distribute the share allocation rights as and when it deems appropriate,
  - determine the share-allotment conditions and eligibility criteria and if applicable, the performance criteria including, but not limited to, such things as length of service, requirements related to maintaining a contract of employment or holding a corporate office throughout the vesting period, and any other financial conditions or individual and collective performance criteria.
  - determine the definitive vesting and conservation periods of shares within the limits set by the General Meeting as specified above,
  - register the free shares allocated in a registered securities account in the name of the beneficiary, mentioning that they are locked up and specifying the duration of the conservation period,

- open an unavailable reserve account, allocated to the rights of the beneficiaries, with a sum equal to the total amount of the nominal value of the shares that may be issued through increases in the share capital, by transfers of the necessary sums from any reserves which the Company has freely available.
  - make necessary withdrawals from the unavailable reserve in order to book the nominal value of shares to be issued to beneficiaries and by doing so boost the share capital by the nominal amount of free shares allocated.
  - in the event of a capital increase, modify the Articles of Association accordingly, and carry out all necessary formalities,
  - in the case of financial transactions carried out in accordance with the provisions of Article L.228-99, paragraph 1 of the French Commercial Code, during the vesting period, the Management Board shall be able to implement all measures deemed necessary to preserve and adjust the rights of the beneficiaries, in accordance with the terms and conditions specified in said Article.
- 7.** Pursuant to Articles L.225-197-4 and L.225-197-5 of the French Commercial Code, a special report will be drawn up every year on the transactions carried out under the present authorisation and presented to the Ordinary Shareholders Meeting.
- 8.** This delegation of powers is granted to the Management Board for a period of thirty eight (38) months as of today.

## Seventeenth Resolution

- > Delegation of powers granted to the Management Board to issue marketable securities giving access to the Company's share capital, without pre-emptive subscription rights maintained, reserved for employees and corporate officers of the Company and the companies it controls with at least one Director**

### Summary of resolution n° 17

#### Objective:

*Delegates powers to the Management Board to raise the capital of the Company on one or more occasions, by issuing ordinary shares and marketable securities giving immediate or future access to the Company's share capital and without pre-emptive subscription rights maintained, for the benefit of employees and corporate officers of the Company and companies it controls with at least one Director.*

#### Ceiling:

*6% of share capital.*

*The ceiling of the present delegations is subject to the general ceiling fixed in the eighteenth resolution for authorisations granted in the fifteenth and seventeenth resolutions.*

#### Validity of delegation of powers:

*Eighteen (18) months*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board and the Special Report of the Statutory Auditors, and in accordance with the provisions of Articles L.228-91 and seq., L.225-129 and seq. and L.225-138 of the French Commercial Code:

**1.** Delegates powers to the Management Board to increase the share capital on one or more occasions by issuing marketable securities giving immediate or future access to the Company's share capital (such as shares, stock options and stock purchase warrants, etc.);

**2.** Caps the total nominal amount of the capital increase authorised under the present delegation at 6% of the share capital on the date the Management Board decides to raise the capital, it being stipulated that: i) to this ceiling could be added the amount of capital increases resulting from additional shares that may be issued in the event of further financial operations required to preserve the rights of holders of marketable securities giving access to the Company's share capital; ii) this ceiling is independent, autonomous and distinct from those fixed in the resolutions nine to thirteen, but combines with those fixed in the fifteenth and sixteenth resolutions above, up to the limit of the global ceiling for these three resolutions as determined in the eighteenth resolution;

**3.** Sets the term of validity of the present delegation of authority at eighteen (18) months from the date of the present General Meeting until 22/01/17;

**4.** Decides, in accordance with Article L.225-138 of the French Commercial Code, to waive the preferential subscription rights of holders of marketable securities giving immediate or future access to the share capital of the Company and its subsidiaries and to reserve this right to employees and corporate officers of the Company and companies it controls with at least one Director; the Management Board will draw up the list of authorised beneficiaries having the right to subscribe to marketable securities giving access to the Company's share capital, as well as the maximum amount of marketable securities which may be subscribed;

**5.** If applicable, takes note that pursuant to the present delegation shareholders automatically waive their preferential subscription rights to shares giving access to shares to be issued via the exercise of marketable securities giving access to the share capital, in favour of bearers of marketable securities giving access to the Company's capital issued pursuant to this delegation.

**6.** Decides that the Management Board will have all powers, including that of sub-delegation under the conditions fixed by law, to implement the present delegation of powers, notably to:

(i) set the issue date and the price of shares and marketable securities giving access to the Company's share capital, it being specified that:

**a)** the issue price will be based on the average of the opening share prices quoted in the twenty trading sessions on the Euronext Paris preceding the day the decision is made to fix the opening subscription date of the capital increase relative to the present resolution; this average price may be reduced by a maximum discount of 20% which could be reduced or cancelled by the Management Board if deemed convenient depending on certain parameters that may influence the price. Depending on the type of financial instrument, these parameters include strike price, lock-in period, exercise period, triggering threshold, repayment period, interest rate, dividend payout policy, company-share price and volatility);

**b)** the issue price for marketable securities giving access to Company share capital which, if applicable, will be equal to the amount immediately received by the Company, plus the sum it is likely to receive in the future, that is to say, for each share issued as a result of a marketable securities issue of at least the amount defined in paragraph a) above;

as well as the details of the issue and the terms and conditions of the issuance agreement, in accordance with stock market regulations in force;

(ii) if applicable, appoint an independent auditor to determine the subscription price of financial instruments giving immediate or future access to the Company's share capital:

(iii) if applicable, provide for the option to suspend the exercise of rights attached to marketable securities giving access to share capital, issued in accordance with legal and regulatory provisions;

(iv) at its sole initiative, charge the costs incurred on the capital increases to the premiums account and deduct from the remaining sum the amounts to be posted to the legal reserve;

(v) fix and make all adjustments to take account of the impact of transactions involving the capital of the Company, notably in case of a change in the nominal value of the share, an increase in share capital by incorporation of reserves, the free allocation of shares, and all other

transactions having an impact on shareholders' equity or the share capital, and set the terms on which the rights of holders of marketable securities giving access to the capital are to be preserved;

- (vi) acknowledge the completion of each capital increase and amend the Articles of Association accordingly;
- (vii) if deemed necessary, modify the issuance contract (with the consent of the holders of marketable securities giving access to capital) and carry out an independent assessment on the consequences of this modification and, notably on the amount of the corresponding advantage for holders; Modify, if it considers this necessary (and subject to the consent of the holders of redeemable equity warrants) the redeemable equity warrant issue agreement and arrange for a new independent valuation to be
- (viii) in general, enter into all agreements to ensure the successful conclusion of the planned issues, take all steps and carry out all formalities required for the issue, the listing and the financial servicing of the marketable securities giving access to Company share capital issued pursuant to the present delegation of powers and the exercise of the rights attaching thereto.

7. Takes note that in the event Management Board uses the powers delegated to it in the present resolution, it shall, in accordance with applicable laws and regulations, report to the next Ordinary General Meeting on the use made of the powers conferred to it in the present resolution.

## Eighteenth Resolution

### > Limitation of the ceiling common to delegations authorised under resolutions fifteen to seventeen

#### Summary of resolution n° 18

##### Objective:

*Limit the Management Board's facility to accumulate the delegations authorised under the fifteenth, sixteenth and seventeenth resolutions to up to 8% of the share capital on the day they are used to limit shareholder dilution, while enabling the Management Board to take all steps necessary to give employees and/or corporate officers of the Company and those of its Group, financial incentives and profit sharing opportunities in relation to the development of the Company.*

The General Meeting, deliberating under the conditions of quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board, decides that the total number of existing or new Company shares that may be issued to salaried employees, certain categories of them and corporate officers of the Company and its related companies as per the authorisations

specified in resolutions fifteen to seventeen above, under legal conditions, may not represent a percentage exceeding 8% of the share capital of the Company at the date of their allotment or issue.

## B. Statutory amendments

These statutory amendments are submitted to take into account:

- the change in address of the Company's headquarters (Article 4 of the Articles of Association);
- the modification in the registration cut-off date for company shares to be eligible to vote in Shareholders General Meetings; previously fixed at midnight (Paris time) three business days prior to the General Meeting, the cut-off time has been changed to midnight (Paris time) two business day before the General Meeting, in accordance with Decree n°2014-1466 dated 08/12/14 (Article 28 of the Articles of Association);

## Nineteenth Resolution

### > Material amendment to Article 4 of the Articles of Association to modify the address of Solucom's headquarters

#### Summary of resolution n° 19

##### Objective:

*Modify the address of Company headquarters to take into account the removal of the location "La Défense 8" from said address and delegate powers to the Management Board to carry out the necessary formalities.*

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board, decides to modify the address of Company headquarters to take into account the removal of the location "La Défense 8" from said address.

As a consequence, Article 4 of the Articles of Association will be amended to read as follows:

#### Article 4 – Company headquarters

Solucom's headquarters are located at:

Tour Franklin  
100-101 terrasse Boieldieu  
92042 Paris La Défense Cedex

The registered office may be transferred to any other location in the same department or an adjoining department by decision of the Supervisory Board, subject to ratification at the next Ordinary Shareholders' Meeting, or to any other location



subject to a decision of the Extraordinary Shareholders' Meeting.

The General Meeting grants all powers to the Management Board to carry out the necessary formalities involved in the material modification of Article 4 of the Articles of Association with the Trade and Companies Register.

## Twentieth Resolution

### > Amendment of Article 22 of the Articles of Association to bring it into line with new legal provisions governing regulated agreements

#### Summary of resolution n° 20

##### Objective:

Amend Article 22 of the Articles of Association to bring it into line with new legal provisions governing regulated agreements as introduced by Decree n°2014-863 dated 31/07/14.

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board, decides to:

- bring paragraph I "Agreements submitted for approval" of Article 22 of the Articles of Association "Regulated agreements" into line with the provisions of i) Article L.225-86 of the French Commercial Code as modified by Decree n° 2014-863 dated 31/07/14 specifying the obligation of management bodies to justify their decision authorising such agreements, and ii) the new Article L.225-88-1 of the French Commercial Code, introduced by Order n°2014-863 dated 31/07/14 specifying the obligation of the Supervisory Board to carry out an annual review of the agreements concluded and authorised in previous years;
- bring paragraph III "Current Agreements" of Article 22 of the Articles of Association into line with the provisions of Article L.225-87 of the French Commercial Code as modified by Order n°2014-863 dated 31/07/14 which excludes certain intra-group agreements from the regulated-agreements procedure;
- leave paragraph II, " Prohibited Agreements" of Article 22 of the Articles of Association unchanged.

As a consequence, Article 22 - "Regulated agreements" - of the Articles of Association will be amended to read as follows:

#### **Article 22 – Regulated agreements**

##### **I. Agreements submitted for approval**

*All agreements entered into, directly, indirectly or via an intermediary, between the Company and a member of the Management or Supervisory Boards, a shareholder*

*exercising more than 10% of the Company's voting rights, or in the case of a corporate shareholder, the company with the controlling interest in said corporate shareholder, as defined by Article L233-3 of the French Commercial Code, must receive prior authorisation of the Supervisory Board. The same applies to agreements in which one of the persons mentioned above is indirectly concerned.*

*Prior approval of the Supervisory Board is also required for agreements between the Company and another company, if one of the members of the Management or Supervisory Boards, is the owner, general partner, manager, director, member of the supervisory board or, generally, a senior manager of said company.*

***The party seeking to obtain prior authorisation of the Supervisory Board, must provide a reasoned explanation of the interest such an agreement may have for the Company, notably by specifying the financial conditions attached to it.***

***In addition, agreements concluded and authorised in past years and still being carried out during the previous fiscal year are reviewed annually by the Supervisory Board and the results communicated to the Statutory Auditors for the preparation of the Statutory Auditors Special Report on Regulated Agreements.***

##### **II. Prohibited agreements**

*It shall be prohibited, under penalty of nullity of the contract, for natural persons who are members of the Management Board and the Supervisory Board, and permanent representatives of corporate members of the Supervisory Board to contract, in any form whatsoever, loans from the Company, obtain an overdraft on a current account or otherwise from the Company, or make the Company endorse or guarantee their commitments towards third parties.*

*This prohibition shall also apply to spouses, ancestors and descendants of the persons mentioned above including any intermediaries.*

##### **III. Current agreements**

*Pursuant to Article L.225-87 of the French Commercial Code, agreements concerning current operations concluded under normal conditions and those concluded between two companies in which one of the parties holds, directly or indirectly, all of the capital of the other, which, if applicable, after deducting the minimum number of shares required to fulfil the requirements of Article 1832 of the French Civil Code and Articles L.225-1 and L.226-1 of the French Commercial Code are not subject to legal approval and authorisation procedures.*

## Twenty-first Resolution

### > Amendment of Article 28 of the Articles of Association to bring it into line with new legislation regarding the shareholder-registration date and procedures used to draw up the list of eligible participants at General Meetings (Record Date)

#### Summary of resolution n° 21

##### Objective:

Amendment of Article 28 of the Articles of Association to bring it into line with new «Record Date» legislation regarding the shareholder-registration date and procedures for drawing up the list of eligible participants at General Meetings.

The General Meeting, acting with the quorum and majority required for Extraordinary Shareholders Meetings, having considered the report of the Management Board, decides to amend Article 28 of the Articles of Association to bring it into line with the provisions of Decree n° 2014-1466 dated 08/12/14 modifying the date and procedures for drawing up the list of shareholders and bondholders eligible to vote in General Meetings (“Record Date”) of French listed companies.

As a consequence, paragraph 1 of Article 28 of the Articles of Association, entitled “Admission to General Meetings - Powers” will be amended to read as follows:

#### **Article 28 – Admission to General Meetings - Powers**

*1 - All holders of ordinary shares may vote in General Meetings, regardless of the number of shares held, provided their shares are fully paid up.*

*The right to attend, or to be represented at General Meetings is subject to the following:*

- *Holders of registered shares must be registered as such in a pure registered account or an administered registered account by midnight (Paris time) on the **second** business day prior to the date of the meeting;*

- *Holders of bearer shares must be registered as such by midnight (Paris time) on the **second** business day prior to the date of the meeting. The registration in the bearer-share register held by the authorised intermediary is attested to by a certificate of participation delivered by the intermediary attached to the remote or proxy voting form or by requesting an admission card established in the name of the shareholder. A certificate may also be issued to shareholders wishing to attend the Meeting in person but who have not received their admission card by midnight (Paris time) on the **second** business day prior to the date of the Meeting.*

*If it deems appropriate, the Management Board may issue shareholders personal admission cards.*

The remainder of this Article remains unchanged.

## Twenty-second Resolution

### > Powers for formalities

#### Summary of resolution n° 22

##### Objective:

Standard resolution granting the necessary powers to carry out all publication and legal formalities.

The General Meeting, acting with the quorum and majority required for Ordinary Shareholders Meetings, grants all powers to the bearer of a copy or of the original of these minutes, to carry out all legal formalities.



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## Additional information

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## Documents available to the public

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The Registration Document is available at the Company's registered office:

Tour Franklin

100-101, terrasse Boieldieu

92042 Paris La Défense Cedex

Tel: 01 49 03 20 00

and on the Company's website: [www.solucom.fr](http://www.solucom.fr)

During the period of validity of the present Registration Document, the following documents may be consulted at the Company's registered office:

- the Company's Articles of Association;
- all reports, letters and other documents, historical financial information, assessments and declarations issued by an expert at the Group's request, some of which are included or referred to in this document;
- Solucom's historical financial information for each of the two fiscal years preceding the publication of the present Registration Document.

## Persons responsible

### Person responsible for the Registration Document

Pascal Imbert, Chairman of the Board

### Statement by the person responsible for the Registration Document

"I hereby certify that after taking all reasonable measures to this effect, the information contained in the present Registration Document is, to the best of my knowledge, in accordance with the facts and makes no omission likely to give a false representation.

I also declare that, to the best of my knowledge, the financial statements were prepared in accordance with generally accepted accounting principles applicable in France and give a true and fair view of the assets and liabilities, the financial situation and the results of the Company and all the entities in its scope of consolidation, and that the Management Report on page 23 presents a faithful summary of the progress of the businesses, results and financial situation, as well as a description of the main risks and uncertainties of the Company and all the entities in its scope of consolidation.

I have obtained a completion letter from the Statutory Auditors stating that they have audited the information relating to the financial position and the financial statements presented in this Registration Document and in the document as a whole."

Issued in Paris on 30/07/15

Pascal Imbert, Chairman of the Board

### Persons responsible for the Statutory Audit

#### Statutory Auditors

Cabinet Mazars, a member of the Versailles Regional Statutory Auditors' Commission (Compagnie Régionale des Commissaires aux Comptes de Versailles), 61, rue Henri Regnault – 92075 Paris La Défense Cedex, appointed by the 11/07/14 Annual General Meeting, with their mandate due to expire at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 31/03/20. Represented by Mrs Christine Dubus.

Deloitte & Associés, a member of the Versailles Regional Statutory Auditors' Commission (Compagnie Régionale des Commissaires aux Comptes de Versailles), 185, rue Henri Regnault – 92524 Paris La Défense Cedex: appointed by the 25/09/13 Annual General Meeting their mandate is due to expire at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 31/03/19. Represented by Mr Dominique Laurent.

#### Substitute Statutory Auditors

Cabinet Fidus, 12 rue de Ponthieu - 75008 Paris, a member of the Paris Regional Institute of Auditors (Compagnie Régionale des Commissaires aux Comptes de Paris), as the new substitute statutory auditors: appointed by the 11/07/14 Annual General Meeting, their mandate is due to expire at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 31/03/20.

Cabinet BEAS, 7 Villa Houssay, 92200 Neuilly-sur-Seine: mandate renewed by the 25/09/13 Annual General Meeting of 25/09/13 until the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 31/03/19.

### Person responsible for financial information

Pascal Imbert, Chairman of the Management Board

Solucom  
Tour Franklin  
100-101 terrasse Boieldieu  
92042 Paris La Défense Cedex

Tel: 01 49 03 20 00 - Fax: 01 49 03 20 01

Email: action@solucom.fr

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