Annual Report

Financial Year 2014

This is a free translation into English of the Financial Report 2014 issued in the French language and it is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France.

Combined Annual and Extraordinary General Meeting of 18 June 2015

Contents

Public Limited Company (Société Anonyme) with a registered capital of 31,838,310 euros
Head Office, Direction and Administration:
6, boulevard Bineau
92300 Levallois-Perret
562 088 542 R.C.S. Nanterre – SIRET N° 562 088 542 00369

www.gevelot-sa.fr

Financial year 2014

Administration of Gévelot S.A.

Board of Directors

Chairman & Managing Director	Paolo MARTIGNONI ✞
	Mario MARTIGNONI (since 01.02.2015)
Directors	Roselyne MARTIGNONI
	Claudine BIENAIMÉ
	Armelle MARTIGNONI
	Mario MARTIGNONI
	Charles BIENAIMÉ
	Pascal HUBERTY
	Jacques FAY

Management

Managing Director	Paolo MARTIGNONI ✞
	Mario MARTIGNONI (since 01.02.2015)
Deputy Managing Director	Philippe BARBELANE

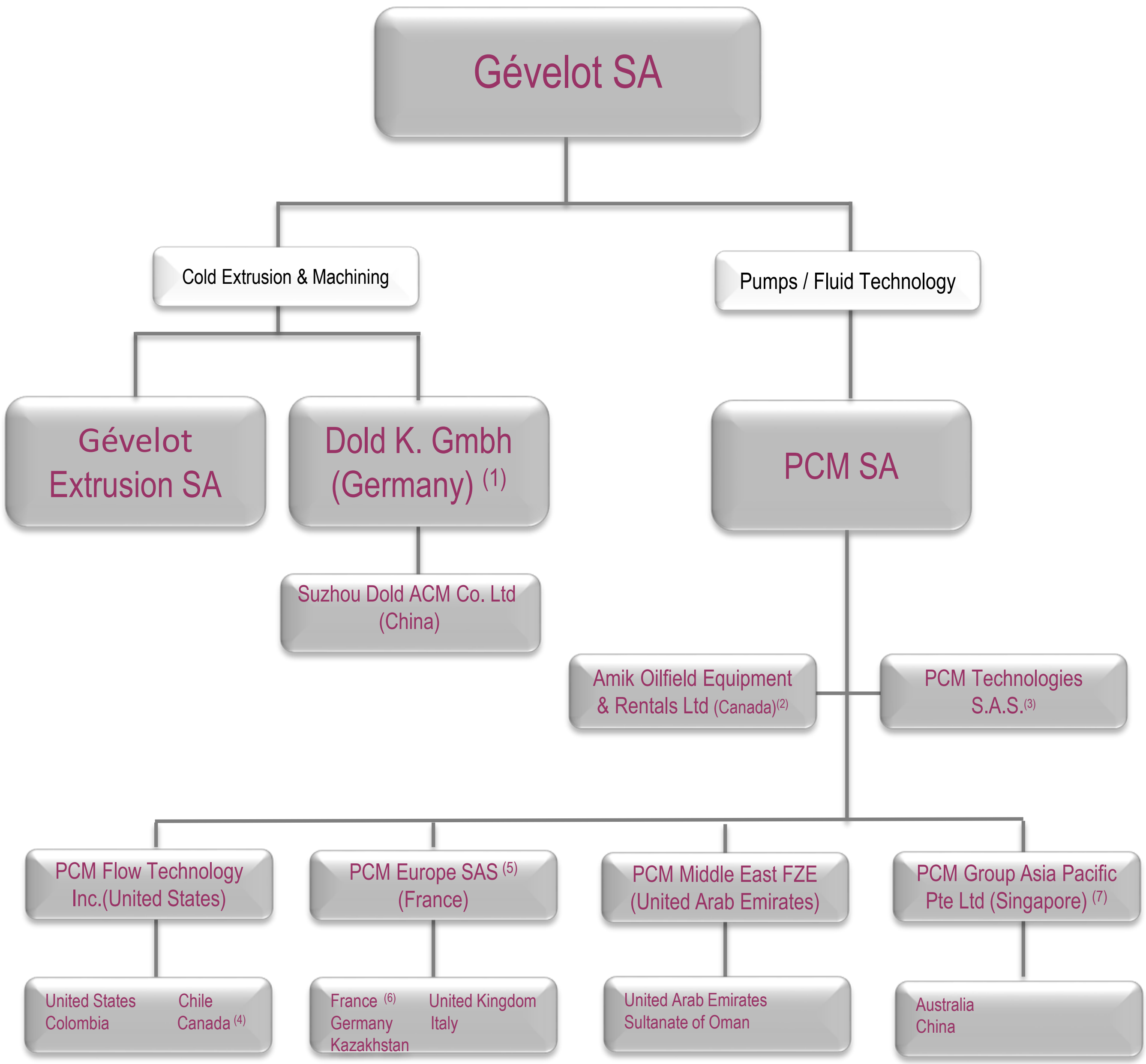
Auditors

Permanent	PricewaterhouseCoopers Audit (PwC) represented by Yan RICAUD
	Cabinet ROUSSEL & ASSOCIES (CREA) represented by Bernard ROUSSEL
Substitute	Cabinet FIDEAC , represented by Jean MARIÉ
	Philippe BAILLIN

Managers of subsidiaries

Extrusion division	Patrick LHUILLERY
Pumps division	Mario MARTIGNONI
Mechanical Engineering division (Transfer on 25.02.2015)	Bruno TRACCO

Gévelot Group



Information
(1) Wholly owned by Gévelot since April 2013

N.B. : Transfer of Gurtner SA in February 2015

Creation and acquisition
2) Acquired in December 2014
3) Created in May 2014
4) Created in February 2014
5) Created in August 2014
6) Created in August 2014 (PCM Manufacturing France S.A.S.)
7) Created in June 2014

Agenda

of the Combined Annual and Extraordinary General Meeting of 18 June 2015

Within the competence of the Ordinary General Meeting

- Management report of the Board of Directors on the progress of the Company during the fiscal year 2014,
- Reports of Statutory Auditors on Corporate Financial Statements & Consolidated Accounts of this fiscal year,
- Approval of the Corporate Financial Statements for the fiscal year ending December 31, 2014,
- Approval of the Consolidated Accounts for the fiscal year ending December 31, 2014,
- Approval of the Agreements mentioned in Article L.225-38 of the Commercial Law,
- Allocation of net income for the fiscal year 2014,
- Discharge to Directors,
- Directors,
- Powers,
- Miscellaneous questions.

Within the competence of the Extraordinary General Meeting (9th Resolution)

- Delegation of authority to the Board of Directors with a view to proceeding with a capital increase reserved for employees, members of the Group’s Employee Share Ownership Plan.

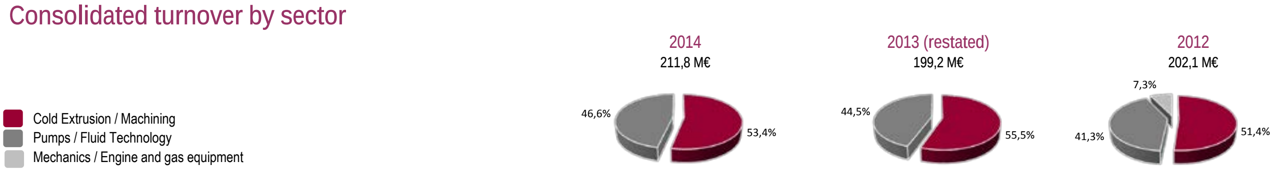
Overview of Gévelot Group

Annual key figures

(in thousands of euros)	2014	2013 Restated(1)	2014/2013 Percentage Change	2013 Published	2012
Group					
Turnover excluding tax	211 803	199 221	6,3	213 282	202 074
Turnover originating outside France	*145 151*	*131 843*	*10,1*	*134 036*	*120 072*
EBITDA	13 344	18 530	(28,0)	19 633	19 114
Current operating income	8 095	12 282	(34,1)	12 733	9 062
Non current operating income and (expenses) (2) (3)	64 916	(6 063)		(6 190)	(21 126)
Operating profit	73 011	6 219		6 543	(12 064)
Operating results before tax	78 415	7 293		7 647	(12 506)
Net income from continuing operations	71 828	5 333		7 647	(12 506)
Net income of discontinued operations	(4 897)	360		-	-
Net result, Group share	66 931	5 689		5 689	(7 859)
Net earnings per share from continuing operations (in euros)	79,69	5,87		6,26	(8,64)
Cash flow from operations	17 532	16 447	6,6	17 091	14 840
Equity	199 989	133 118	50,2	133 118	130 030
Indebtedness / equity (in %)	*23,50*	*24,10*		*24,10*	*14,40*
Headcount	*1 452*	*1 333*	*8,9*	*1 333*	*1 286*
(1) Mechanical Engineering division in process of being transferred (reclassified)	64 621				
(2) including capital gain on stake transfer	-	(5 094)		(5 631)	(21 529)
(3) including impairment of industrial assets - Standard IAS 36 -					

	2014	2013 Restated(1)	2014/2013 Percentage Change	2013 Published	2012
Gévelot S.A.					
Turnover excluding tax	3 337		ns	2 665	3 177
Turnover excluding tax (restated)	2 552		3,9	2 456	3 177
Operating profit	429		(4,2)	448	905
Operating results before tax (4)	547			1 019	(2 086)
Unusual items (5)	(1 993)			(1 358)	2 741
Unusual items excluding tax provision	(184)			(498)	3 771
Net income	375			277	53
Cash flow from operations	5 975		67,5	3 568	3 820
Net dividend per share (in euros)	1,80			1,80	1,80
Headcount	7			7	7
(4) including depreciation on investment securities	(3 255)	(1 675)		(1 675)	(4 997)
(5) including capital gain on property disposals (2 723 K€ net of tax)				-	4 153

Consolidated turnover by sector



Management report from the Board of Directors

Ladies and Gentlemen:

In accordance with the Law and Statutes, we have called together this General Meeting to report to you on the activities of our Corporation and its Affiliates during the preceding year, and to submit for your approval the Company Accounts as well as the Consolidated Accounts as of December 31 2014.

As a preamble, the Board of Directors would like to salute the memory of Mr. Paolo Martignoni, who passed away on January 31 2015 after more than twenty years at the helm of Group Gévelot, leading its strategic evolution and its international development.

The Board pays homage to his achievements.

Activities and Results of the Group

Consolidated turnover increased to €211.8 million from €199.2 million in 2013, at constant scope of business (excluding Mechanical Sector), or an improvement of 6.3%.

Turnover for the Extrusion Sector stands at €113.0 million in 2014, or +2.2% with respect to the preceding year. Globally, activity at our French sites has remained stable overall (+1.3%), as well as for our German site Dold K. (+0.8%). Dold K.'s affiliate based in China, established in 2012, saw its activity increase (€1.5 million compared to €0.3 million).

Turnover for the Pumps Sector, at €98.7 million, has improved by 11.4% in comparison with the preceding year. Oil & Gas activity has moved towards Export, Industry activity is in slight decline and Food activity remains stable.

Comments on business scope

As announced last year, our affiliate PCM SA in May 2014 sold to a third party its stake in the Canadian company KUDU, previously held at 45% and consolidated by the equity method. The effects of this sale have had a strong impact on the accounts presented below.

As of December 2014, PCM SA has acquired 75% of the capital of the company AMIK Oilfield Equipment & Rentals Ltd (Canada). This company has been fully consolidated, but only its balance-sheet elements have been integrated in 2014, in view of an acquisition date close to the end of year.

Global strategic reorganisation of the Pumps Sector, as well as strengthened implantations in the four recently-defined geographical poles, have been pursued. In this regard, the legal organisation chart was modified by the creation of new entities, affiliates of PCM SA, in May and August 2014.

Contributions from PCM SA for its autonomous areas of activity to PCM Technologies SAS, PCM Europe SAS and PCM Manufacturing France SAS were approved by the Extraordinary General Meetings of September and December 2014.

In the first half of 2014, the decision was taken to divest from the ownership interest held by Gévelot SA in Gurtner SA. Consequently, the value of this fully-consolidated company in the consolidated balance sheet has been reclassified as "Activities planned for sale" as of December 31 2014.

Detailed comments on the consolidated results

The 2014 current consolidated operational result of the Group stands at €8.1 million, against €12.3 million in 2013.

The contribution of the Extrusion Sector is positive at €2.4 million (positive at €3.8 million in 2013).

The contribution of the Pumps Sector is positive at €5.1 million (positive at €8.0 million in 2013).

After taking into account the surplus of €64.6 million released in May 2014 by the transfer of ownership interest by the affiliate PCM SA in the Canadian company KUDU Industries Inc., the operational consolidated result is a profit of €73.0 million, against €6.2 million in 2013.

The 2014 financial consolidated result is positive at €5.4 million, against €1.1 million positive in 2013. The favourable development of exchange rates and the performance of funds received explain the improvement in this result over the period.

In 2014, the net consolidated tax burden stood at €6.6 million. This includes deferred tax income of €0.4 million, and a current tax demand on profits of €7.0 million. In 2013 the net consolidated tax burden stood at €2.0 million.

The net consolidated result in the 2014 period for activities to be continued thus stands at a profit of €71.8 million, against €5.3 million recorded in 2013.

The net result of activities in process of transfer stands at negative €4.9 million against €0.4 million positive in 2013, corresponding to the result for Gurtner SA. This includes in 2014 a loss of value of €4.5 million net of taxes, calculated on the basis of the price of sale of Gurtner SA's activities.

In summary, the net consolidated result for the year 2014 stands at a positive value of €66.9 million, against €5.7 million in 2013.

Cash flow stands positive at €17.5 million against €16.4 million in 2013.

The contribution of the different sectors of activity to the consolidated results of the group is described further in the Annex to the Consolidated Accounts (Note 18).

Investments of the Group

In 2014, the gross global non-financial investments of the Group rose to €18.9 million against €11.0 million in 2013.

Intangible investments rose to €1.5 million (€1.2 million in 2013) and tangible investments to €17.4 million (€9.8 million in 2013).

By sector, these investments have risen:

- to €0.1 million compared to €0.1 million in 2013 in Gévelot Holding Company,
- to €13.4 million (of which €6.7 million in Germany) compared to €7.8 million in 2013 in the Extrusion Sector,
- to €5.4 million (of which €3.9 million in France) compared to €2.8 million in 2013 in the Pumps Sector.

Employment

Personnel of the Group as of December 31 2014, excluding temporary personnel, stands at 1,452 people (including 471 outside France and 65 for Amik Oilfield Equipment & Rental Ltd) against 1,333 people (including 431 outside France) at the end of December 2013.

Consolidated balance sheet structure

The total of the consolidated balance sheet stands at €341.4 million against €223.2 million at the end of 2013, or an improvement of €118.2 million.

Non-current assets, at €87.1 million, have increased by €15.5 million. This increase is due to variations in net investments of €11.3 million, including the acquisition of AMIK Oilfield Equipment & Rentals Ltd for €5.2 million (including €4.6 million of goodwill) and translation differences of €1.0 million, reduced by the reclassification of the assets of the Mechanical Sector (-€2.1 million) retired in process of sale.

Current assets, at €254.3 million, have increased by €102.7 million. This increase is mainly due to increases in gross cash position by €99.2 million, in net stocks by €8.4 million, in debt instruments and other accounts payable by €0.1 million reduced by the variation of assets or activities in process of sale by -€5.0 million.

Equity, at €200 million, has increased by €66.9 million, after taking into account the consolidated net profit of the year (€66.9 million), translation differences (+€2.1 million), and new minority interests of recent acquisition (+€1.8 million). These positive variations are offset by dividend payments to third parties (-€1.6 million), acquisitions of directly-held shares (-€0.7 million) and by net other payments (-€1.6 million).

Provisions for risks and charges, at €11.1 million, have increased by €2.8 million, primarily due to the recognition of provisions for quality risks and revaluations of retirement compensation for personnel.

Debts, at €130.3 million, have increased by €48.6 million, due primarily to increases in financial debts (+€15.1 million), accounts payable (+€10.6 million), various advances (+€21.2 million), reprocessing of debts of activities in process of sale (+€3.8 million) offset by reduction in deferred tax liabilities (-€1.2 million), and unearned revenue (-€1.0 million).

Consolidated financial structure

The financial structure has been favourably impacted by the divestment of Canadian interests. It includes current financial assets, cash position and cash equivalents, net of loans from credit institutions and various financial debts, and has risen to a positive value of €103.8 million, an improvement of €84.2 million in comparison with 2013 due to an increase in net cash position by €86.6 million and of current financial assets by €2.9 million, partially offset by an increase in financial indebtedness by €5.3 million.

In total, current assets have risen to €254.3 million, largely covering the total of debts to third parties at less than one year, an increase of €111.1 million.

To sum up, the Debt/Equity ratio stands at 23.5% compared to 24.1% to at the end of 2013.

The Debt/Revenue ratio has risen to 22.2% compared to 16.1% in 2013.

Activity of the Parent Company

The revenue of Gévelot S.A., the Parent Company, consisting of rents and provision of services, has risen to €3,337,000 in 2013, or an improvement at constant business scope of +3.9%.

Rents at €1,565,000 have slightly risen (+3.4%) over the last year due to a full year of provision to third parties of office space at Levallois-Perret.

Services invoiced at €987,000, excluding specific re-billing of external charges to an Affiliate, have risen by 4.8%.

Operating income thus stands at €3,787,000 compared to €3,123,000, an increase of 3% at constant business scope.

Operating costs rose to €3,358,000. At constant scope, they have risen by 4.4%, an increase due principally to maintenance charges on real estate holdings (Levallois-Perret and Site d'Offranville).

The operating balance for the period stands at €429,000 compared to €448,000 in 2013.

After taking into account a depreciation on shares held in the capital of Gévelot Extrusion of €3,255,000, the financial result is positive at €118,000, compared to €571,000 in 2013. This result includes the contribution of Affiliates in terms of dividends which stands at €3,205,000, compared to €2,054,000 in 2013.

The current result before tax shows a profit of €547,000, compared to a profit of €1,019,000 in 2013.

The extraordinary result, excluding the effect of fiscal integration, is a negative value of €184,000, compared to a negative value of €498,000 in 2013.

After a tax charge on the Companies of €254,000 and the achievement of €2,075,000 of tax savings linked to the fiscal integration scheme, the net corporate profit of Gévelot SA stands at €375,000, compared to €277,000 in 2013.

Activity of Affiliates of the Parent Company

The basic information concerning affiliates to Gévelot SA presented below is sourced from the Company Accounts produced according to local regulations.

Financial data (in millions of Euros)

Affiliates	Operating revenue	Operating balance	Financial result	Extra-ordinary result
Gévelot Extrusion SA	64.2	-5.0	-0.2	0.2
Dold K. (Germany)	48.7	4.1	-0.1	-0.5
PCM SA(1)	55.3	-0.7	4.2	79.6(3)
Gurtner SA (2)	12.2	-0.1	-	-0.4

Affiliates	Net result	Cash flow from operations	Industrial Invest-ments	Financial Invest-ments
Gévelot Extrusion SA	-4.3	-0.9	6.2	-
Dold K. (Germany)	2.5	4.6	6.5	
PCM SA(1)	77.5	-0.5	2.5	13.3
Gurtner SA (2)	-0.5	-0.3	0.3	-

(1) *New scope of business after legal reorganization*
(2) *Affiliate sold February 25 2015*
(3) *Including Surplus from Transfer of KUDU Industries Inc. (Canada) €74.8 million*

Workforce as of December 31 2014

Affiliates	Total (*)
Gévelot Extrusion	434
Dold K. (Germany)	288
PCM (France and Abroad)	636
Gurtner	88

(*) Temporary personnel excluded

Group research and development activities

For the Group overall, expenditures on Research and Development rose in 2014 to €2.5 million, including development expenditures of €0.8 million carried over to consolidated assets in the framework of the requirements of IAS Standard 38.

Extrusion Sector

In 2014, out of a total of €1.6 million in expenditure, an amount of €0.6 million was put towards Research and Development expenses. For Gévelot Extrusion, development programmes for new families of parts were pursued, in particular for a primary transmission shaft and for pipe clamps for steering columns.

These expenses generated a Research Tax Credit of €0.6 million.

Pumps Sector

In the framework of legal reorganization of this sector, transfer of the industrial property and product brands for a specific entity, PCM Technologies SA, was carried out at the beginning of July 2014.

Partnerships with universities and laboratories to renew and enlarge product ranges in the months to come were pursued.

For the year 2014 there was no money put towards Research and Development expenses, which rose to €0.9 million.

These expenses generated a Research Tax Credit of €0.3 million.

Mechanical Sector

For the year 2014 there was no money put towards Research and Development expenses, which rose to €0.2 million.

These efforts concerned research on innovative solutions for products in the natural gas range, the development of a new generation of cases for gas equipment and on testing technical improvements for vaporizer-regulators.

These expenses generated a Research Tax Credit of €0.1 million.

This Sector was sold in February 2015.

Group Perspectives for 2015

After a 2014 marked in the Pumps Sector by exceptional sales figures that have favourably impacted the Result and the financial structure of the Group, the perspectives for 2015 in uncertain sectoral environments could lead to the maintenance of a positive current Result.

Parent Company

Sales revenue for Gévelot SA will be again constituted primarily of rents originating from the industrial sites of Gévelot Extrusion, and of rents on office space.
In terms of financial products, dividends should be received from our affiliates PCM SA and Dold K. of an overall amount higher than that of the past year.
The net Result should thus remain profitable, and an improvement on the past year.

Extrusion Sector

The Automobile market should maintain its recent improvement with an increase of volumes outside of Europe and an envisaged stabilization in Europe.

This Sector will complete, particularly in France, its efforts to recondition its industrial plant.

The maturity of volumes delivered to new customers may allow us to compensate for the projected decrease in activity linked to halting unprofitable production. Industrial performance should continue to approach automobile standards.

Under these conditions, a return to operational break-even point may be confirmed.

Investment efforts in Germany, notably in terms of forging and diversification of customer base, should allow expansion to new markets while continuing to maintain satisfactory profitability, despite a possible dip in activity.

The Chinese affiliate of Dold K. should show an increase in activity and attain operational break-even point.

Pumps Sector

The combination of a decrease in oil prices with the hazards of exchange rate fluctuations and the general economic situation may affect the activity and profitability of this Sector in the months to come. However, the high level of orders received at the end of 2014 may allow activity in 2015 to be maintained at similar levels to 2014.

The contribution to the overall Result should remain positive.

Global Perspectives of the Group

The consolidated net Result of the Group, excluding exceptional elements not yet determinable today (value of industrial or financial assets, standards), should remain profitable.

Functioning of Internal Bodies

The Directors at the beginning of February 2015 nominated Mr. Mario Martignoni to assume the functions of CEO of Gévelot SA.

The Board of Directors is composed of seven Members since the death of Mr. Paolo Martignoni on January 31 2015.

The Board of Directors met five times in 2014.

Continuing Delegation

In the framework of the adoption on June 19 2014 of the tenth Resolution of the Combined General Meeting, the Board of Directors was delegated the authority to implement a share buyback program for purposes of cancellation (authorized buyback of 6% of the shares comprising the Company Capital for a maximum total amount of 3 million Euros).

This authority will continue until December 19 2015.

On March 31 2015, overall 16,459 shares had been repurchased at an average value of 93.10 euros, for a total amount of 1,537,828.64 euros.

At the same time, the eleventh Resolution at this Combined General Meeting of June 2014 entrusted the Board of Directors with delegated authority for cancellation of those shares repurchased to date.

This delegation, which runs until June 19 2016, has not so far been put into effect.

Company Directors and Officers

This meeting will be asked to approve renewed terms as Directors for Mrs Claudine BIENAIMÉ, Mr Charles BIENAIMÉ and Mr Pascal HUBERTY.

In accordance with the provisions of Article L 225-102-1 of the Commerce Code, we describe for you below the functions exercised by each of the Company Officers of the Gévelot corporation during the previous year.

Functions

Mr. Paolo MARTIGNONI✞, CEO,

exercised within the Group in 2014 and up until January 31 2015 the following functions:

- Director of Gévelot
- Permanent Representative of Gévelot, Director of Gévelot Extrusion
- Permanent Representative of Gévelot, Director of PCM
- Permanent Representative of Gévelot, Director of Gurtner

Functions outside of the Group:

- President of the Board of Directors and Director-General of Sopofam

Mr. Philippe BARBELANE, Chief Operating Officer,

exercises within the Group the following functions:

- Director of Gévelot Extrusion
- Director of PCM
- Director of Gurtner

Functions outside Group: N/A

Mr. Mario MARTIGNONI, Director,

exercises within the Group the following functions:

- CEO and Director of PCM
- Director of Gévelot Extrusion
- Director of Gurtner
- Director and President of the Board of Directors of PCM Group Italia Srl
- Director of KUDU Industries Inc until May 5 2014
- Director of AMIK Oilfield Equipment & Rentals Ltd (Canada) (as of December 9 2014)

Functions outside the Group:

- Chief Operating Officer and Director of Sopofam

Mrs. Claudine BIENAIMÉ, Director,

exercises within the Group the following functions:

- Director of Gévelot Extrusion
- Director of PCM
- Director of Gurtner

Functions outside the Group:

- Member of the Supervisory Board of Publicis Group SA
- Member of the Audit Committee of Publicis Group SA
- Member of the Remuneration Committee of Publicis Group SA

and also:

- CEO of the Boisdormant Real Estate Company SA
- Chief Operating Officer of:
- Rosclodan SA
- Sopofam SA
- Manager of the non-profit real estate company Presbourg Etoile

Mrs. Roselyne MARTIGNONI, Director,

exercises within the Group the following functions:

- Director of Gévelot Extrusion
- Director of PCM

Functions outside the Group:

- Director of Sopofam
- Director of Rosclodan
- Director of Boisdormant Real Estate Company SA

(end of current term 2014)

Mr. Charles BIENAIMÉ, Director,

exercises within the Group the following functions:

- Director of Gévelot Extrusion

Functions outside of the Group:

- Chief Operational Officer of S.E.G.F.M (Meeschaert Financial Research and Action Company)
- Director-General of Meeschaert Family Office (France)
- Director of Meeschaert Family Office (Belgium)
- Member of the Management Board of Meeschaert Financial

and also:

- CEO of Rosclodan

Mr. Jacques FAY, Director,

exercises within the Group the following functions:

- Director of Gévelot Extrusion
- Director of PCM
- Director of Gurtner

Functions outside the Group:

- Director of the FIM (Federation of Mechanical Industries)
- Director of Profluid

Mr Pascal HUBERTY, Director,

exercises no other function within the Group

Functions outside the Group:

- Business Development Manager, Division Group Coveris
- Company Manager

Mrs. Armelle MARTIGNONI, Director,

exercises no other function within the Group.

Functions outside Group: N/A

Social and environmental consequences of activity

Gévelot SA publishes as an annex to its Management Report a consolidated document relating to Sustainable Development, summarising information on Social and Environmental matters, in conformity with the provisions set out in Articles R. 225-104 and R. 225-105 of the Commerce Code.

With no company in the Group surpassing the thresholds of application defined by the "Grenelle II" Law of July 12 2010 and its Regulations on Application of April 24 2012, the Group Gévelot for 2014 has no obligation to publish a Report (RSE) on the Social and Environmental Consequences of the activities of the Group and on its corporate engagements in favour of sustainable development.

Risk Management

In the framework of describing the principal risks which confront the Group, the following points may be noted.

General Risks

1. Market Risks

The Group is positioned in several distinct Markets, which limits its exposure to variations in a single sector.

The Extrusion Sector Market

The Extrusion Sector's activity takes place in the automobile market, where "market" risks are of various kinds:

- procurement strategy among our clients which may be affected by their global strategy of alliances or of cross-ownerships, difficulties particular to French manufacturers leading them to reconsider their capital structure, their production capacity and to reduce their costs.
- an anticipation of lower sales of new vehicles, due to the market situation of structural over-capacity in Europe. Nevertheless, our supplies are sometimes re-exported by our customers to their assembly plants in emerging countries (notably in China).
- a market which has been outsourced for a number of years towards so-called "Low Cost" countries with two consequences: a loss of volume when cars or sub-assemblies are effectively produced abroad; a strong pressure on sale prices (and therefore margins), a pressure that we must confront to remain competitive and to avoid these outsourcings and consequent losses of market. This situation applies as much in France (Gévelot Extrusion) as in Germany (Dold).

The Pumps Sector Market.

The specific activity of Oil Pumps is sensitive to variations of the price of crude oil. Moreover, the noted decrease in oil prices over several months and the geopolitical context in certain countries will risk halting or deferring expected commercial developments.

PCM disengaged at the end of April 2014 from its supply agreement with the Canadian company Kudu Industries Inc.; the transfer of this Participation took place in May 2014. New commercial and technological agreements have been signed with the Purchaser.

Commercial performances in the other pump areas (Food Sector and Industrial Sector) are generally linked to economic activity, in France as well as abroad.

2. Country Risks

The Group is exposed to Country risks for part of its activity, principally in the domain of the Oil-Related Sector, due notably to its presence in zones with serious geopolitical risks (Middle East, Africa and Latin America).

Financial Risks

Through its activities, the Group is exposed to different kinds of financial risk. These risks are linked to the industrial and commercial activities of the Group, to its financing needs as well as its investment policy, notably in the international arena. They are principally related to risks of variations in exchange rates and in interest rates, but also to sudden variations in prices of primary inputs.

1. Financial risks linked to industrial and commercial activities

- Operational exchange risks

The Gévelot Group is exposed in its industrial and commercial activities to financial risks which may result from variations in exchange rates for certain currencies, owing to the location of most of its production sites in the Eurozone, and its sale zones located over the entire world implying invoicing in foreign denominations, principally in US Dollars.

Exchange risk management in Pumps and Fluid Technologies activity is based on the principle of the production entities of the Group invoicing the marketing entities in the latter's local currency. These

inter-company invoices perform the role of forward exchange rate cover from their settlement if the amounts are significant.

The same principle applies to sales outside the Group, principally in the Pumps sector, for invoicing in the Customers' denomination. Forward cover is set up right from the realization of a sales operation in foreign currency.

The Group does not implement fixed exchange rate cover on its future sales; the operational margin is therefore subject in the future to variations according to the evolution of exchange rates.

- Exchange Risks, Cashflow, Cash Equivalents

The evolution in value of the North American currency received at the time of the transfer of KUDU Inc, in the spring of 2014, was the object of special attention and of (zero-risk) placements with prime banking establishments. At the start of January 2015, taking into account favourable monetary conditions, the majority of the currency received from this transaction was converted into Euros. The retained portion will allow us to cover any local developments.

- Price variation risk

The Group is sensitive to market variations for its primary inputs, notably steel in the Extrusion Sector. In order to deal with future variations that might significantly impact the operational margin, the Group has developed a multiplicity of sources of supply and has recourse, when possible, to contracts containing clauses on price variations, framed with the help of its suppliers or customers.

- Credit risks

The Group pays special attention to security of payments for the goods and services which it delivers to its Customers.

For the Extrusion Sector, activity is concentrated on a restricted number of Customers who have traditionally given excellent financial guarantees. Besides, this Sector is comparatively protected by its products, which are difficult to substitute, often subject to long and complex approval procedures, which put it in the position of essential Supplier over short periods.

The Extrusion Sector is centred on European national markets (France and Germany) that entail a weak exposure to the risks of non-payment. When possible, this Sector resorts to to Credit insurance.

The activity of the Pump Sector presents comparatively more risks. The European Customers of PCM Europe SAS do not present any significant individual risks, and are generally subject to recovery procedures by specialized companies.

Significant Export Customers located in areas of major geopolitical risk must be subject to particular scrutiny.

2. Financial risks linked to financing operations

The Group calls upon the banking sector for financing of those industrial and commercial activities which require it.

The Gévelot Extrusion Company has managed its debt over a number of years. For future industrial investments, financing by Credit Lease will be preferred. The Dold K. Company, for both internal and external developments, will additionally be able to fall back on a positive liquidity and, for large investments, to call upon bank credit.

The other Companies of the Group show a positive financial structure.

PCM nevertheless obtained in 2013 some financial help allowing it to finance, for the future, its international development, particularly in North America and the Near East. Some of this support was used in 2014.

- Risks of rate variation

When it becomes necessary (a significant loan amount) the Group sets up hedging tools for variations in interest rates on variable-rate loans of long maturity date and of significant amount. For this, the cash department of the Group analyses its portfolio and suggests to the Affiliates appropriate tools (rate swap) to limit future risks within limits of appropriate and managed costs.

For security, financing obtained since 2010 for the Extrusion Sector has mainly been at fixed rates and zero rates (BPI Financing for aid to innovation).

3. Financial risks linked to the operations of investments realized abroad

- Country risk

The Group holds assets in countries where political and economical stability are not assured; these assets nevertheless represent only an insignificant part of the total Group assets.

- Exchange risk

The Group holds investments abroad, and outside the Eurozone, whose net assets are exposed to currency conversion risks. These net assets, situated in the USA, in China and in the Near and Middle East, are not at present subject to any special cover.

Supplier Debts

(Article 24-11 of the Economic Modernization Law (LME) of August 4, 2008 and Decree 2008-1492 of December 30 2008)

Supplier debts and related accounts (operations and capital investments) of Gévelot SA, at a total amount of €188,000 at the end of 2014 (€190,000 at the end of 2013) are broken down as follows:

Years	Due date	<31 days	31 to 60 days	>60 days	Total
2014	€27,000	€97,000	€21,000	€43,000	€188,000
2013	€21,000	€156,000	€5,000	€8,000	€190,000

Allocation of profits

The following allocation of profits will be proposed:

. Profit for the year: €375,269.16

. Retained earnings from previous year: €836,374.04

- Total to divide up: €1,238,643.20

. Deduction from
Other Reserves: ....+ €398,755.60

. Dividends:.................................-€1 637,398.80

-€1,238,643.20

. Balance of Retained earnings after allocation:...................€0.00

In case of approval of the above-mentioned distribution, the dividend of €1.80 per share, eligible for the allowance of 40% set out for physical persons as beneficiaries and mentioned in Article 158.3.2° of the General Tax Code, will be put into distribution from June 25 2015. It will be shared out on the basis of 909,666 shares comprising the corporate Capital.

Applying Article 243-bis of the General Tax Code, it is noted that we proceeded to the distribution of the following dividends during the three last years, these dividends being fully eligible for the allowance of 40% mentioned in Article 158.3.2° of the General Tax Code.

Year	Net	Tax credit	Number of shares provided	total
2011	1.80	pm	909,666	912,166
2012	1.80	pm	909,666	909,666
2013	1.80	pm	899,456	909,666

Stock market

During the year 2014, the performance of our shares on NYSE Alternext Paris developed as follows:

	Euros
Value at the end of 2013	62.99
Lowest value	50.51
Highest value	136.00
Value at the end of 2014	128.00
Number of shares exchanged in 2014 (1)	48,972
Number of shares exchanged in 2013 (2)	31,246

(1) including buyback of 7,757 shares for cancellation
(2) including buyback of 3,702 shares for cancellation

At the end of March 2015, the share price was €133.90, with a traded volume noted since the beginning of the year of 13,379 shares.

Shareholders

On December 31 2014, the Gévelot Corporation is controlled through more of two-thirds of its capital principally by:

- The FAMILY PORTFOLIO COMPANY (SOPOFAM), more than one-third,
- ROSCLODAN Corporation, more than one-twentieth.

Also, the unit trust STOCK PICKING France, the independent fund management company LA FINANCIERE DE L'ECHIQUIER and the CAPRIONA Company SA each hold more than one-twentieth of the corporation's capital.

The Corporation's capital is comprised since July of 909,666 shares of 35 Euros nominal value, or 31,838,310 Euros.

Information on treasury shares

Number of treasury shares at the beginning of the year	3,702
Number of shares bought in 2014	7,757
Number of shares sold in 2014	0
Number of shares cancelled in 2014	0
Number of treasury shares at the close of 2014	11,459
Trading expenses 2014	€2,100
Average purchase cost 2014	€91.18
Average global purchase cost 2013/2014	€79.18
Nominal value of shares	€35.00

During the first quarter of 2015, 5,000 shares were acquired in the framework of this program for an average price of 125.00 Euros.

Overall, at the end of March 2015, 16,459 shares were held in treasury at a global average price of 93.10 Euros.

These shares were acquired in the framework of the authorisation given to the Board of Directors by the General Meeting of June 19 2014 (10th Resolution) to allow their eventual cancellation (11th Resolution).

None of the companies controlled by Gévelot holds shares in this Corporation.

The Capital of the Corporation is not held by any of the Personnel of the Group, irrespective of post or origin.

MiddleNext

In terms of Governance and following the transfer of listing of our shares in Alternext in 2011, Gévelot SA adopted in April 2014 the "Middlenext" Code of Enterprise Governance aimed at mid cap markets, in place of the Afep/Medef Code.

Modification projects concerning the Corporation's Capital

An extraordinary Resolution will be proposed to the next combined general meeting.

Increase of Capital reserved for Employees

This extraordinary Resolution has the goal of making a decision, in conformity with the provisions of the second indent of Article L. 225-129-6 of the Commerce Code, concerning an increase of Capital reserved for the Adherents of an Enterprise Savings Plan, for the Group to create if need be.

The Board of Directors will be at the disposal of the Shareholders for all supplementary information.

Non-deductible charges

(Law of July 12 1965 article 27)

For Gévelot SA, the reintegration of operating expenses into taxable fiscal profit during the year 2014 rose to €43,704 compared to €28,617 in 2013.

Events after the end of the year

Holding

Mr. Mario MARTIGNONI was named as CEO of Gévelot SA at the Board of Directors meeting of February 10 2015.

Extrusion Sector

Concerning France, the first results of the upgrade plan for forge presses will be known in the first half of 2015. More action will have to be taken concerning financial capacities for investment. Productivity investments will be realized and workloads will be once more redefined so as to anticipate the retirement of personnel.

Optimisation of inter-site production costs will be pursued.

In Germany, client base diversification will be pursued by means of new commercial activities. Finding replacement markets for major customers will equally be prioritised.

In China, the Dold Affiliate will pursue and increase its activities in fabrication and subcontracting and, in parallel, cold-forging activity will be established.

Pumps Sector

In the domain of Oil & Gas on the North American Continent, synergies are in course of deployment with the new entity acquired at year end 2014.

In Asia-Pacific, commercial reinforcement is in progress.

Adaptations to new constraints linked to the fall of oil prices will be pursued.

Globally, industrial and commercial investments will be pursued on the North American territory as well as internationally.

Mechanical Sector

The transfer of this activity was realized on February 25 2015 to take effect as of 1st January 2015, for a value close to that figuring in the company accounts of Gévelot SA.

The valuation gap of this Sector by IFRS Standards was noted during 2014.

The deposit of this Report before the Commercial Court will be carried out in accordance with the Law.

The Board of Directors

Consolidated financial statements at 31 December 2014

Consolidated balance sheet at 31 December 2014

I.F.R.S. accounting basis ASSETS *(in thousands of euros)*		Net amount at 31.12.2014	Net amount at 31.12.2013
Goodwill	*Note 4*	5 189	952
Intangible assets	*Note 4*	4 642	4 848
Tangible assets	*Note 4*	75 581	64 181
Long-term financial assets	*Note 5*	1 661	1 632
TOTAL FIXED ASSETS (I)		87 073	71 613
Inventories	*Note 6*	45 495	37 110
Trade accounts receivable	*Note 7*	45 321	43 640
Other receivables	*Note 8*	7 561	6 263
Matured tax claim	*Note 14*	93	2 901
Current financial assets	*Note 5*	6 645	3 794
Cash and cash equivalents	*Note 9*	144 204	47 870
Long-term assets held for sale		-	10 010
Activities held for sale or in process of transfer	*Note 27*	5 029	-
TOTAL CURRENT ASSETS (II)		254 348	151 588
GRAND TOTAL (I + II)		341 421	223 201

I.F.R.S. accounting basis LIABILITIES *(in thousand of euros)*		Net amount at 31.12.2014	Net amount at 31.12.2013
Equity available to consolidating company		198 100	133 071
Equity attributable to interests not conferring control		1 889	47
TOTAL EQUITY (I)		199 989	133 118
Long-term provisions	*Note 11*	8 865	6 649
Long-term financial liabilities	*Note 13*	17 847	14 568
Deferred tax liability	*Note 14*	1 099	2 439
TOTAL LONG-TERM LIABILITIES (II)		27 811	23 656
Trade accounts payable		27 233	26 286
Accounts payable to asset suppliers		1 518	1 342
Current provisions	*Note 11*	2 295	1 654
Other accounts payable	*Note 10*	46 621	19 590
Matured tax liability	*Note 14*	2 898	105
Current financial liabilities	*Note 13*	29 227	17 450
Liabilities linked to activities held for sale or in process of transfer	*Note 27*	3 829	-
TOTAL CURRENT LIABILITIES (III)		113 621	66 427
TOTAL LIABILITIES (II+III)		141 432	90 083
TOTAL GENERAL (I + II + III)		341 421	223 201

Notes 1 to 27 form an integral part of the consolidated financial statements.

Consolidated income statement 2014

I.F.R.S. accounting basis INCOME STATEMENT (in thousands of euros)		Period 2014	Period 2013 (*)
Turnover	Note 18	211 803	199 221
Other income from operating activities	Note 15	4 667	2 577
Income from operating activities	Note 15	216 470	201 798
Current operating expenses	Note 16	(208 375)	(189 516)
CURRENT OPERATING INCOME	Note 18	8 095	12 282
Other operating income	Note 1 B	64 665	26
Other operating expenses		251	(6 089)
OPERATING INCOME	Note 18	73 011	6 219
Income from cash and cash equivalents		927	328
Cost of financial debt		(513)	(362)
Cost of net financial debt		414	(34)
Other financial income		7 000	1 850
Other financial expenses		(2 010)	(742)
RESULT OF OPERATIONS	Note 17	5 404	1 074
PRE-TAX INCOME (LOSS) OF CONSOLIDATED COMPANIES	Note 18	78 415	7 293
Tax (expense) / income	Note 14	(6 587)	(1 960)
NET INCOME OF CONSOLIDATED COMPANIES		71 828	5 333
Share of income from equity-method companies		-	-
NET INCOME FROM CONTINUING OPERATIONS	Note 18	71 828	5 333
Net income of activities held for sale or in process of transfer	Note 27	(4 897)	360
NET CONSOLIDATED INCOME		66 931	5 693
PROPORTION OF INTEREST NOT CONFERRING CONTROL		38	4
SHARE GOING TO CONSOLIDATING ENTITY		66 893	5 689
EARNINGS PER SHARE FROM CONTINUING OPERATIONS		79,69 €	5,87 €
EARNINGS PER SHARE FROM OPERATIONS HELD FOR SALE		(5,44 €)	0,40 €

(*) Presentation of the Mechanical activity on a separate line of the income statement (see Note 1 D)

Earnings per share is calculated by dividing the income attributable to shareholders by the weighted average number of ordinary shares in circulation during the period, excluding the ordinary shares bought by the Group or held as treasury shares. There are no potential dilutive shares.

900,814 is the number of shares on which earnings per share is calculated for period 2014 and 908,556 for period 2013 (see Note 3 - Share capital).

Notes 1 to 27 form an integral part of the consolidated financial statements.

Overall income and equity

Overall income 2014

(in thousands of euros)			Period 2014	Period 2013
CONSOLIDATED NET INCOME			66 931	5 693
A) Other comprehensive income from continuing operations :	Gross amount	Tax income/(expenses)		
A.1) Recyclable items				
. Translation adjustments	2 076	-	2 076	(472)
A.2) Non recyclable items				
. Actuarial gains / (losses)	(2 006)	613	(1 393)	302
. Revalued land and buildings	-	-	-	(322)
B) Other comprehensive income from activities held for sale or in process of transfer :				
Non recyclables items of activities held for sale or in process of sale	(218)	75	(143)	-
Other comprehensive income (loss) net of tax			540	(492)
OVERALL INCOME			67 471	5 201

Statement of changes in net worth and minority interests

(in thousands of euros)	Capital (see Note 3)	Treasury shares (see Note 3)	Revaluation adjustments	Translation adjustments	Consolidated reserves	Equity Group share	Interests' share not conferring control	Total equity
POSITION AT 31.12.2012	31 838	-	622	662	96 864	129 986	44	130 030
Treasury share transactions	-	(200)	-	-	-	(200)	-	(200)
Distributions (1,80 € per share of 35 €)	-	-	-	-	(1 638)	(1 638)	-	(1 638)
Changes in consolidation scope	-	-	-	-	(275)	(275)	-	(275)
Overall income 2013	-	-	(322)	(471)	5 991	5 198	3	5 201
POSITION AT 31.12.2013	31 838	(200)	300	191	100 942	133 071	47	133 118
Treasury share transactions	-	(707)	-	-	-	(707)	-	(707)
Distributions (1,80 € per share of 35 €)	-	-	-	-	(1 622)	(1 622)	-	(1 622)
Changes in consolidation scope (see note 1 B)	-	-	-	-	-	-	1 729	1 729
Overall income 2014	-	-	-	2 001	65 357	67 358	113	67 471
POSITION AT 31.12.2014	31 838	(907)	300	2 192	164 677	198 100	1 889	199 989

Consolidated cash flow 2014

CONSOLIDATED CASH FLOW

(in thousands of euros)		31.12.2014	31.12.2013 (*)
OPERATING ACTIVITIES			
Net income from all consolidated accounts		66 931	5 693
Net income of activities held for sale or in process of transfer		(4 897)	360
Net income from continuing operations		71 828	5 333
Elimination of expenses and income not affecting cash flow or related to activities :			
- Amortisation and provisions		8 092	10 691
- Discounting of financial assets and liabilities		21	51
- Change in deferred tax	Note 14	(462)	207
- Capital gains / losses net of tax		(61 947)	165
Cash flow from operations of consolidated companies (1)		17 532	16 447
Dividends received from equity-method companies		-	-
Dividends received from activities held for sale or in process of transfer		1 003	51
- Changes in inventories		(7 457)	(1 899)
- Changes in trade accounts receivable		(748)	(1 000)
- Changes in other operating receivables		1 252	(1 866)
- Changes in trade accounts payable		111	4 872
- Changes in other operating payables		30 220	501
Changes in working capital requirement		23 378	608
NET CASH FLOWS FROM CONTINUING OPERATIONS		41 913	17 106
INVESTING ACTIVITIES			
- Acquisitions of intangible and tangible capital assets	Note 4	(18 954)	(10 675)
- Acquisitions of and increases in long-term investments		(3 273)	(712)
Total		(22 227)	(11 387)
- Disposals of intangible and tangible capital assets net of tax		232	83
- Disposals of and decreases in long-term investments		41	579
Total		273	662
Changes in working capital requirement and sundry		190	692
Effect of changes in reporting entities		66 157	(275)
NET CASH FLOW FROM INVESTMENTS OF CONTINUING ACTIVITIES		44 393	(10 308)
FINANCING ACTIVITIES			
- Dividends allocated to parent company shareholders		(1 622)	(1 638)
- Other changes		(707)	(200)
Total		(2 329)	(1 838)
- Initiation of borrowings and financial debts		7 976	10 487
- Repayment of borrowings and financial debts		(4 150)	(3 728)
Changes in borrowings and financial debts		3 826	6 759
Changes in working capital requirement and sundry		178	(178)
NET CASH FLOW FROM FINANCING OPERATIONS OF CONTINUING ACTIVITIES		1 675	4 743
Reclassification impact of activities held for sale or in process of transfer		(1 812)	151
NET CASH FLOWS		86 169	11 692
Cash position at opening		33 921	22 365
Cash position at closing	Note 9	120 533	33 921
Foreign exchange profits/(losses) from cash flows		(443)	136
		86 169	11 692

(*) Presentation of the Mechanical activity on a separate line of the income statement (see Note 1 D)

(1) Taxes disbursed (net of refunds) during the financial year are mentioned under Note 14.

Notes to the Consolidated Financial Statements at 31 December 2014

Note 1 : Accounting rules and methods – selected financial data

As of 14 April 2015, the Board of Directors closed the accounts of Gévelot SA and approved the disclosure of its consolidated financial statements at 31 December 2014.

These financial statements may be subject to changes until such time as the Combined Annual and Extraordinary General Meeting has approved them.

Note 1 to 27 hereafter form an integral part of the consolidated financial statements. Unless otherwise specified, all amounts are stated in thousands of euros.

A. ACCOUNTING RULES AND METHODS

The Gévelot Group's consolidated financial statements were prepared in accordance with international principles and standards governing the measurement and presentation of financial information, namely IFRS[1] (International Financial Reporting Standards), as adopted by the European Union.

The consolidated financial statements are stated in thousands of euros, the euro being the Group's operating and reporting currency.

The accounting methods set out below were consistently applied to all periods presented in the consolidated financial statements.

New mandatory application texts

As of 31 December 2014, the new application texts that are mandatory within the European Union and included for the first time by the Group are as follows :

- IFRS 10 "Consolidated financial statements". This standard offers a definition of control that is based on power and exposure (and rights) to variable returns and the ability to exercise this power to affect those returns,
- IFRS 11 "Joint Arrangements". This standard provides for two distinct accounting treatments, depending on whether it is a joint activity or a joint venture,
- IFRS 12 "Disclosures of interests in other entities". This text brings together all disclosures to be provided in appendices on subsidiaries, partnerships, associated companies and non-consolidated structured companies,
- IAS 28 revised "Investments in associates and joint-ventures".

These standards and other standards and interpretations published by IASB and adopted by the European Union and becoming effective on 1 January 2014 have no significant impact on Gévelot.

New texts applied in advance

The Group applied no amendment and no standard or interpretation in advance.
The following texts adopted by the European Union shall apply to the Group from January 1, 2015.

- IFRIC 21 « Taxes », which provides guidance on the accounting of liabilities for taxes owed to the public authorities, applicable to financial years beginning on or after 17 June 2014. The Group does not expect any significant impact from the adoption of IFRIC 21 on its consolidated accounts.

New texts not yet adopted by the European Union

The potential impact of main texts published by the IASB or IFRIC but having not yet been the subject of an adoption by the European Union to the closing date, is being analyzed. However, the Group does not expect that other potentially applicable texts to accounting years beginning on January 1, 2015 and January 1, 2016 have a significant impact on the Group's accounts.

No application in advance is envisaged at this stage.

Presentation of the consolidated financial statements

The balance sheet is presented in current then non-current format. Are considered as current all assets and liabilities directly relating to the operating cycle, the duration of which cannot exceed twelve months. Financial assets and liabilities are by definition classified as non-current items except for their short-term portions, which are classified as current.

The consolidated statement of income is presented as expenses and income.

1.1. Accounting principles specific to consolidation

1.1.1 Scope of consolidation

The consolidated financial statements fully consolidate the accounts of Gévelot SA and the subsidiaries over which it has sole indirect or direct control. The date on which it took or relinquished control determines that on which the company is included or excluded from the scope of full consolidation.

Companies not exclusively controlled by Gévelot SA are recognised by the equity method if it has significant influence in them.

1.1.2 Conversion of accounts stated in foreign currencies

The financial statements of foreign subsidiaries are converted into euros in the following manner :

- balance sheet items are converted at the exchange rate applying on the date of closing,
- income statement items are converted at the average rate,
- cash flows are converted at the average rate.

The translation adjustments included in consolidated equity thus result from :

- the difference in opening equity between the prior period's closing rates and those of the current period,
- the difference between the average exchange rate and the closing rate, for the period's income or loss and for other changes in equity.

1.1.3 Transactions in foreign currencies

Transactions in foreign currencies are converted into euros using the rate of exchange applying on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted at the rate applying at closing, and the resulting differences are recognised in the income statement as exchange gains or losses. Non-monetary assets and liabilities denominated in foreign currencies are recognised at the historical rate applying on the date of the transaction.
NB : the applicable rates are stated in Note 2.

1.2 Accounting principles specific to the balance sheet

1.2.1 Business combinations

Business combinations are recognised using the acquisition method in accordance with IFRS 3.

On the date of acquisition, goodwill is measured as being the aggregate of the cost of the business combination and the acquirer's proportionate interest in the net worth of the acquiree's identifiable assets, liabilities and any acquired liabilities.

[1] IFRS as adopted by the European Union is available on the website of the European Commission (http://ec.europa.eu//internal_market/accounting/ias/index_fr.htm)

Goodwill is not amortised. It is subjected to an impairment test annually or more frequently if events or changes in circumstances indicate that their value has decreased.

Any recognised depreciation is irreversible.

The impairment tests used by the Group are described under heading « Impairment of fixed assets » in Note 1.2.4.

1.2.2 Intangible capital assets

Intangible capital assets acquired separately are recognised in the balance sheet at their historical cost and amortised over their useful life using the straight-line method.

Intangible assets acquired as part of business combinations are recognised in the balance sheet at their fair value on the date of acquisition.

Research expenses are expensed in the period in which they are incurred, as are non-capitalised development costs that do not meet IAS 38 capitalisation criteria.

In the Extrusion sector, studies are initiated with a view to producing parts for a special customer order. When they are contractually the subject of customer financing, the non-financed amount of these costs is recognised as an intangible capital asset.

So development costs must be capitalised (IAS 38) if the company can demonstrate that:

- the project is clearly identified and the costs of the asset thus capitalised are clearly separable and can be reliably measured, and that intends and has the technical and financial capacity to see the project through to completion,
- it is probable that the future economic benefits that are attributable to asset will flow to the enterprise.

Intangible capital assets are amortised using the straight-line method over the estimated useful life for each category of assets.

Useful life :

Development costs: the life of the underlying projects, generally between 3 and 15 years.

Software: estimated useful life of between 2 and 15 years.

Other (patents, etc.): the estimated useful life, limited to 20 years.

The impairment testing methods adopted by the Group are described under heading « Impairment of fixed assets » in Note 1.2.4.

1.2.3 Tangible capital assets

Tangible capital assets, primarily comprising property, plant and equipment, are carried at cost less accumulated depreciation and impairment, in accordance with IAS 16.

The Gévelot Group has opted for the periodic revaluation method for its Administrative or Commercial properties by reference to observable prices in an active market, buildings being amortised over their useful life and their net value being periodically revalued on arm's length terms by qualified experts. They are revalued every three years unless changes in their fair value require them to be revalued more often.

For its other tangible capital assets, in particular its industrial properties, the Group has decided to no longer use the periodic revaluation method, given the difficulty of estimating them without factoring in the activity. Their gross value is their acquisition cost (or the latest revaluation as of 31 December 2007) less accumulated depreciation, and is no longer revalued as of 1 January 2008.

In the Extrusion sector, special tools are purchased or made with a view to producing parts for special customer orders. When they are contractually the subject of customer financing, the non-financed amount of these costs is recognised as an intangible capital asset.

Cost price of fixed assets

The gross tax amount of acquisition costs directly attributable to fixed assets is incorporated into their acquisition cost.

According to the standard treatment described in IAS 23 prior to effective application of its revision, borrowing costs are charged to expenses in the period they are incurred.

Finance leasing

Group property acquired through finance leasing is treated in the consolidated balance sheet and income statement as if it was acquired by borrowing if the contract transfers virtually all of the risks and benefits inherent in ownership thereof to the Group. As a result, tangible capital asset items are measured at the amount originally financed by the lessor and recorded as "loans" in liabilities.

Leasing repayments are eliminated and replaced with:

- an amortisation expense corresponding to the assets concerned,

- a financial expense on the loan.

Properties under direct financing leases are amortised using the straight-line method over their estimated useful life in the same way as other similar assets, or over the duration of the contract of the latter if shorter and if the Company is not certain to become owner thereof on maturity.

Amortisation

Amortisation is calculated using the straight-line method for asset components having distinct useful lives which are generally as follows :

- Land : not amortised,
- Buildings (structural work, conversion work, facade rendering and cleaning, weatherproofing): 10 to 40 years,
- Plant and equipment : 3 to 40 years, barring exceptions,,
- Computer hardware : 3 to 5 years.

The residual values and useful lives of assets recognised at their historical costs are reviewed on each closing. Losses or gains on asset disposals are measured by comparing the revenue from the disposal with the carrying amount of the sold asset. They are recognised in the income statement under "Other operating income and expenses".

1.2.4 Impairment of fixed assets

Assets with an indefinite useful life and goodwill are not amortised and are subject to a depreciation test at least once every year and whenever there is an indication of a loss of value. Other redeemable assets are tested for depreciation when due to particular events or circumstances, the recoverable value might be less than the book value.

A non-exhaustive list of external or internal indicators used in this estimate is provide below :

- External indices:
  - greater-than-usual decline in market value,
  - major changes in the technical, economic and legal environment having a negative impact on the company,
  - an increase in interest rates,
- Internal indices:
  - obsolescence or physical degradation not provided for under depreciation,
  - below-forecast economic performances,
  - material changes in the manner in which this asset is used.

The depreciation included in the accounts corresponds to the surplus between the book value and the recoverable value. The depreciation test is performed where required at the level of individual assets or at the level of CGUs (Cash-Generating Units) when assets cannot be valued individually. For the purposes of depreciation tests, goodwills that cannot be tested individually are grouped together within the group of CGUs that is expected to benefit from the synergies of business combinations.

The recoverable value of an asset (a CGU or a group of CGUs) is the higher of its costs to sell (or net selling price) and its value in use.

The net selling price is the amount obtainable from the sale of an asset in a bargained transaction between knowledgeable, willing parties, less derecognition costs.

Value in use is the discounted present value of estimated future cash flows expected to arise from the continuing use of an asset on the basis of plans or budgets established over a maximum period of 3 years. Beyond which flows are extrapolated indefinitely by applying a constant or diminishing growth rate.

The Group a defined its cash generating units as follows :

- Extrusion: each Company and production unit is deemed an independent CGU. Support assets common to a Company have been distributed proportionally to the company's production units.
- Pumps: each Company is deemed an independent CGU.

A specific discount rate has been determined for each business segment (see Note4).

These discount rates equal the rate of return on risk-free investments adjusted by a « share » market risk premium and risks specific to the business segment.

1.2.5 Financial assets

Financial assets consist mainly of loans and receivables, as well as investments maturing in more than three months and that are not recognised as cash.

They mainly comprise security deposits and loans granted under Construction Aids.

They are measured at amortised cost using the effective interest method. Long-term loans and receivables not bearing interest or bearing interest at rates below market value are discounted if the amounts are significant.

Any depreciation is recognised in the income statement.

Financial assets are initially recognised at the cost of their fair value of the price paid plus acquisition costs

Trade and other accounts receivable

Receivables are initially recognised at their fair value (generally equal to the amount invoiced) then measured at their write-down cost using the effective interest rate method, after deduction of impairment provisions.Trade accounts receivable remain as assets in the balance sheet until all the related risks and rewards revert to a third party.

Impairment provisions are funded if specific risks of non-payment arise on receivables held by Group companies.

Furthermore, all or part of outstanding aged receivables may be impaired.

Impairment or reversals thereof are recognised as current operating income and expense items.

1.2.6 Inventories and work in progress

Under IAS 2 « inventories », the cost of inventories must include all purchase costs, conversion costs and other costs incurred in bringing the inventories to their present location and condition; commercial rebates, discounts and other similar items are deducted to measure the cost of acquisition.

Inventories are measured using the average weighted price or cost method.

Inventories are required to be stated at the lower of cost and net realisable value (NRV).

The net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Inventories do not include the borrowing cost.

Raw materials, goods and other supplies are measured using one of the following methods, depending on the site: last known purchase price, weighted average unit price.

Manufactured products (in-process and finished products) are valued at their production cost including:

- the cost of consumables,

- direct production costs,

- indirect production costs if they can reasonably be linked to the production of the goods.

If the Net realisable value falls below the carrying amount, a provision for the difference is funded.

In the Extrusion sector, studies are conducted and special tools are made or purchased with a view to producing parts for special customer orders. If they are contractually financed by the customer, the financed amount of the costs incurred for studies and tools is recorded as in-progress inventory.

1.2.7 Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments (under three months) without realisable impairment risk.

The investment options used are those offered by the leading financial institutions and comprise either certificates of deposit or investment fund monetary securities without any special identified risks.

1.2.8 Equity

The Group strives to maintain an adequate level of return on its capital while continuing to make safe management decisions. The consolidating company has not resorted to delegation with regard to equity instruments. The Group is not subject to any particular external restrictions with regard to the capital of its entities.

All treasury shares held by the Group are recognised at acquisition cost and subtracted from equity. Income from any sale of treasury shares is subtracted immediately from the increase in equity, so that any capital gains or losses will not affect net income on the year.

1.2.9 Provisions

Defined and similar benefit plans

There are various retirement benefit plans for certain employees in the Group based on national legislations and practices.

Retirement benefit plans, the related severance benefits and other fringe benefits are analysed as defined benefit plans (plans whereby the Group undertakes to guarantee a particular amount or level of defined benefit). They are recognised in the balance sheet on the basis of actuarial estimates of the benefits on the date of closing using the Projected Unit Credit Method, less the fair value of the Plan's related assets. Contributions paid into the Plans, which are analysed as Defined Benefit Plans, that is, when the Group's only obligation is to pay the contributions, are charged to the period's expenses.

In France, the Group has taken out benefit plans for its employees. The provision stated in the consolidated financial statements is measured in accordance with IAS 19 and includes the related welfare expenses.

In pursuance of local rules, german subsidiary Dold meets its social commitments for its employees through contracts entered into with insurance firms.

The Group books a provision equal to liabilities, net of the fair value of financial assets of the regime.

The actuarial gains or losses are the effects of differences between the previous actuarial assumptions and what has actually occurred or changes in the assumptions used to calculate the benefits and the assets covering them:

- staff turnover
- pay rises
- discount rate
- mortality rate
- rate of return on assets

Other social benefits

A provision is funded for bonuses awarded on the occasion of national work medal awards or under company agreements. It is measured according to the probability of employees reaching the qualifying seniority for each grade and is discounted to present value.

Other provisions

A provision is recognised when the Group has a current obligation (legal or constructive) as a result of past events and a reliable estimate of the expected cost can be made, and extinguishment of which should consist in an outlay of resources representing economic benefits for the Group without at least an equivalent amount in return. Provisions correspond to risks and specifically identified expenses.

Other long-term provisions are discounted to present value if their effect is significant.

Any liabilities correspond to potential obligations resulting from past events the existence of which will only be confirmed by the occurrence of future uncertain events beyond the entity's control or current obligations for which an outlay of resources is unlikely. These liabilities are not recognised in the balance sheet, except for those corresponding to business combinations. They are disclosed in information on off-balance sheet liabilities.

1.2.10 Financial liabilities

Loans are recognised at amortised cost, except within the framework of hedge accounting (hereafter Derivate Instruments and Hedge Accounting).

Share premiums and costs and call premiums are stated as deductions to loans and are taken into account in determining the effective interest rate.

Derivate instruments and hedge accounting

All derivates (swaps) are recognised in the balance sheet at their fair value and any change in fair value is recognised as income or losses.

The Group avails itself of the option permitted under IAS 39 to use hedge accounting:

- to hedge fair value (fixed-rate loan swapped at a variable rate for instance), the debt is recognised at its fair value up to the level of the hedged risk and any change in fair value is recognised in the income statement. Any change in the fair value of the derivative is also recognised in the income statement. If the hedge is totally effective, the two effects neutralize one another perfectly.
- to hedge cash flows (variable-rate loan swapped at fixed rate for instance), the change in the effective portion of the fair value of the derivate is recognised as equity and is symmetrically reversed in the income statement when the hedged cash flows are recognised, and the ineffective portion is recognised in the income statement.

The fair value of financial instruments is measured according to Quoted market prices in an active market if one exists or a market price. Failing which, it is calculated by an independent expert. The fair value of derivates is obtained from the bank counterparties.

The fair value of current financial assets and liabilities is comparable to their fair value in the balance sheet given their short-term maturity.

1.2.11 Deferred tax

In accordance with IAS 12 «Income taxes », deferred taxes are recognised for all taxable temporary differences between the carrying amounts of the assets and liabilities and their taxable values by applying the current rates of tax and tax rules in force on that date or those that will apply when the temporary difference is absorbed.

Future tax relief resulting from the carryover of tax deficits is only recognised when realisation thereof is probable.

Deferred tax assets and liabilities, whatever their maturity, were offset if they concern the same taxable entity and if the latter intends either to settle the net amount or realise the asset and settle the liability simultaneously.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted to present value.

1.3 Accounting principles specific to the income statement

1.3.1 Income from Ordinary Activities

In accordance with IAS 18 « Income from Ordinary Activities », sales of goods less any discounts granted are recognised as turnover on the date the seller has transferred the significant risks and rewards of ownership to the buyer. Generally this takes place on delivery of the goods.

In the Extrusion sector, studies are conducted and special tools are made or purchased with a view to producing parts for special customer orders. If they are contractually financed by the customer, this financing falls within the scope of "Income from Ordinary Activities" as defined by IAS 18. The income is recognised under sales revenue at the end of each technical stage approved by the customer.

1.3.2. Current Operating Result and Operating Result

Standard IAS 1 requires a minimum number of items to be included in the income statement:

- Operating Result
- Finance costs,
- Share of the profit or loss of associates and joint ventures accounted for using the equity method,
- Profit or loss of discontinued operations, gain or loss recognised on the disposals of the assets
- Tax expense,
- Profit or loss (broken down into Group share and minority interests share).

Therefore "Operating Result" can be defined as the difference between all income and expenses not resulting from financial activities, equity-method companies, discontinued activities or disposals and tax.

Operating income includes the Contribution Economique Territoriale (CET), which replaces the taxe professionnelle local business tax, effective 1 January 2010. CET has two components: the Contribution Foncière des Entreprises (CFE) and the Cotisation sur la Valeur Ajoutée des Entreprises (CVAE). CFE is based on the rental value of goods subject to property tax. CVAE is equal to 1.5% of added value. CET is capped at 3% of added value. If the added value of the Group's French activities is far higher than the taxable income on these same activities, the Group considers CET as an operating expense rather than an income tax. Hence, its recognition under operating income, as the professional tax was until 2009.

Competitiveness and Employment Tax Credits and Research Tax Credits

The amounts acquired through the Competitiveness and Employment Tax Credits of the French companies of the Group reduce the amount of personnel expenditure.
Research Tax Credits of the French companies of the Group are recorded as operating income in the item «operating subsidies ».

The Gévelot Group has opted to present a Current Operating Result, which is defined as the difference between Operating Result as defined above and "Other operating income and expenses », which include unusual and infrequent events. The latter are very limited in scope but cannot be presented as exceptional or extraordinary items. They primarily include the profit or loss from asset disposals, losses in value on non-current assets, restructuring costs and the cost of litigation settlements.

The Current Operating Result is a notional balance provided for a better understanding of the company's performance.

1.3.3 Finance costs

1.3.3.1 Cost of net financial debt

The net cost of financial debt comprises all the results produced by items making up net financial debt during the period (bank borrowings and investments, gains or losses from transactions in short-term investments).

1.3.3.2 Other financial income and expenses

These mainly include the results of currency hedging transactions.

1.4 Segment reporting

In accordance with IFRS 8, the segment reporting is presented by business segments defined by internal organizational systems and the Group's management structure.

The Gévelot Group's business segments are defined as follows:

- Cold Extrusion & Machining
- Pumps / Fluid Technologies

Gévelot S.A. items that cannot be assigned directly to an operating sector such as defined above are included under "other activities"

B. SIGNIFICANT EVENTS

During the second half of 2013, the decision was taken to divest the equity stake (45%) owned by the subsidiary PCM SA in the Canadian company Kudu Industries Inc. Accordingly, in the consolidated balance sheet 2013, the securities of this company previously presented as « investments in associates » (equity affiliate) were reclassified as « non-current assets held for sale » for their book value at December 31, 2012, namely K€ 10 010

As part of the implementation of an agreement between the shareholders of Canadian company KUDU, in late March 2014, our subsidiary PCM SA received a bid for its 45% stake in KUDU from the latter's majority shareholders for a total of 112.5 M CAD (approximately € 75 million) worth 100% of KUDU's capital for a sum of 250 M CAD (approximately € 167 million) accompanied by an earn-out of 10 M CAD (7 M €), which is valued at zero at the end of 2014 given the current economic context.

Pursuant to the provisions of this agreement, our subsidiary PCM SA decided to reject the bid and purchase the 55% stake held in KUDU owned by the minority shareholders for a price of 137.5 M CAD (approximately € 92 million) calculated on the same valuation bases as their original bid.

The PCM SA take-over bid was made on 22 April 2014 within the period stipulated by the agreement. At the end of this operation, PCM SA transferred all of the shares to a third party.

This transfer occurred in May 2014 and made a strong impact on the Group's accounts. Pre-tax transfer income, i.e. 64.6 M€, is featured in the operating income.

In late June 2014, the Board of Directors agreed to better negotiate the release of Gurtner from the Group's perimeter. A take-over bid for €1.2 M was presented to the Board of Directors on October 2014 and accepted by it. This transfer was finalised in February 2015. The Group applied IFRS 5 conditions as of 30 June 2014 and on that date reclassified the assets and liabilities of this company on a separate line of the balance sheet after ascertaining that the value test generated no further depreciation. This reclassification showed a loss of value of €4.5 M net of tax on the basis of the transfer price.

PCM SA in December 2014, acquired 75% of the securities of the Amik Oilfield Equipment & Rentals Company in the context of the redeployment of its activity in Canada. This acquisition was completed at a price of 7.6 M CAD (€5.7 M) and generated provisional goodwill of 5.9 M CAD (€4.0 M). Its allocation will be finalised at the end of 2015. The valuation of the company resulted in an increase of € 1.8 M of the proportion of equity attributable to interests not conferring control in late 2014.

C. SIGNIFICANT ESTIMATES AND JUDGMENTS

The preparation of consolidated accounts in compliance with IFRS standards requires taking into account assumptions and estimates that affect the amounts of assets and liabilities shown in the balance sheet, the contingent liabilities mentioned in the appendix, and the expenses and income shown in the income statement. These estimates and assumptions are made by the Management based on its past experience and various other factors deemed to be reasonable. However the current economic and financial environment makes it difficult to get an understanding of business prospects. It is possible that actual amounts will subsequently differ from estimates and assumptions made initially. These assumptions and estimates concern mainly:

a) Values used for impairment tests

Assumptions and estimates that are made to determine the recoverable value of goodwill, intangible and tangible fixed assets, relate in particular to market prospects required for the evaluation of cash flows and the applied discount rates. Any change in these assumptions could have a significant effect on the recoverable amount of those assets. The main assumptions used by the Group are described in Note 4.3.

Valuation of pension liabilities

The Group participates in defined-contribution or defined benefit pension plans. The liabilities related to the latter are calculated on the basis of actuarial calculations based on assumptions such as the discount rate, future salary increases, the staff turnover rate, the rate of mortality and the rate of return on assets. The valuation procedure is described in Note 1.2.9 and the assumptions used in Note 12. The Group considers that the actuarial assumptions used are appropriate and justified in current conditions. However these liabilities might evolve in the event of change in assumptions.

c) Fair value measurement

Land and buildings for administrative or commercial use are revalued periodically by independent experts. Between each expertise, the Group checks the absence of indications of loss of value.
Furthermore, as stated in Note 20, financial instruments measured at fair value are measured by reference to quoted prices in an active market.

D. Changes to financial statements previously published

The transfer of Gurtner puts an end to the Group's Mechanics activity. Accordingly, the Group applied the provisions relating to "discontinued activities" of the IFRS 5 standard and presented the contribution of this entity for all the periods presented on a separate line of the income statement (see Note 27).
The information required by the IFRS 5 standard is presented within the various relevant notes and Note 27 "Activities destined to be transferred or in the process of transfer".

E. Events subsequent to the closure of the balance sheet

The transfer of Gurtner was finalised on 25 February 2015, with effect from 1 January 2015 for a value close to that featured in the financial statements of Gévelot SA.
The difference in value of this Sector in IFRS was observed in financial year 2014.

Note 2 : Information on consolidation scope

Gévelot S.A., a public limited company with a capital of 31,838,310 euros, is the parent company of the Gévelot Group. It is listed on Alternext and registered in France under the number 562088542 RCS Nanterre.

2.1. Consolidation scope at 31 December 2014

The following companies are fully consolidated:

COMPANIES	HEAD OFFICE	SIREN N° / SIRET N°	% controlled at 31.12.2014	% controlled at 31.12.2013	% interests at 31.12.2014
HOLDING					
Gévelot S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	562088542 56208854200369			
COLD EXTRUSION & MACHINING					
Gévelot Extrusion S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	399198951 39919895100010	99,99	99,99	99,99
Dold Kaltfliesspressteile GmbH	Langenbacher Strasse 17/19 78147 Vöhrenbach (Germany)		100,00	100,00	100,00
Suzhou Dold Automobile Components Manufacturing Co. Ltd.	Ping Wang Ecological Park Ping Wang Town - Lu Zhong Road 215221 Wujiang City - Jiangsu Province (China)		100,00	100,00	100,00
PUMPS / FLUID TECHNOLOGY					
PCM S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	572180198 57218019800184	99,99	99,99	99,94
PCM Technologies S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	802419960 80241996000017	99,99	-	99,94
PCM Europe S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	803433972 80343397200018	99,99	-	99,94
PCM Manufacturing France S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	803933399 80393339900013	99,99	-	99,94
PCM Deutschland GmbH	Wiesbadener Landstrasse 18 65203 Wiesbaden (Germany)		99,99	99,99	99,94
PCM Group UK Ltd.	Pilot Road - Phoenix Parkway Corby, Northants NN17 5YF (United-Kingdom)		99,99	99,99	99,94
PCM Group Australia Pty Ltd	c/o Grant Thornton Level 2, 215 Spring Street Melbourne, VIC 3000 (Australia)	} wholly owned } by PCM Group UK			
PCM Group Italia Srl	via Rutilia 10/8 20141 Milano (Italia)		99,99	99,99	99,94
PCM Kazakhstan LLP	Office 46, Business Center "Nur Plaza", Microdistrict 29A Aktau city (Kazakhstan)		99,99	99,99	99,94
PCM Flow Technology Inc.	11940 Brittmoore Park Drive Houston Texas 77041 (United States)		99,99	99,99	99,94
PCM USA Inc.	11940 Brittmoore Park Drive Houston Texas 77041 (United States)	} }			
PCM Canada Inc.	4500, 855 - 2nd Street S.W. Calgary Alberta T2P 4K7 (Canada)	} wholly owned } by			
PCM Colombia SAS	Calle 104, No. 14A-45, Oficina 302 Bogota (Colombia)	} PCM Flow Technology }			
PCM Chile SpA	Av Vitacura 2939 Piso 10 Las Condes, Santiago (Chile)	} }			
Amik Oilfield Equipment & Rentals Ltd.	4318 76 Avenue N.W. Edmonton, AB T6B 2H8 (Canada)		74,99	-	74,96
PCM Group Asia Pacific Pte. Ltd.	541 Orchard Road #09-01 Liat Towers Singapore (238881) (Singapore)		99,99	-	99,94
PCM Trading (Shanghaï) Co. Ltd.	Unit 10A01&10G03, Shanghaimart 2299 Yanan Road (West) 200336 Shanghaï (China)		99,99	99,99	99,94
PCM (Suzhou) Co. Ltd.	Ping Wang Ecological Park Ping Wang Town - Lu Zhong Road 215221 Wujiang City - Jiangsu Province (China)		99,99	99,99	99,94
PCM Muscat LLC	Alofuk Building, 1st Floor, Office 14, Shatti Al Qurum PO Box 167 PC 103, Muscat (Sultanate of Oman)		99,99	99,99	99,94
PCM Middle East FZE	4A 106, 5EB741, Dubai Airport Free Zone Dubai (United Arab Emirates)		99,99	99,99	99,94
MECHANICAL ENGINEERING / ENGINE AND GAS EQUIPMENT					
Gurtner S.A.	40, rue de la Libération 25300 Pontarlier (France)	542103635 54210363500026	100,00	100,00	99,95

2.2. Comments on the scope of consolidation and controlling interests

- PCM Canada was formed in February 2014. It is wholly owned by PCM Flow Technology.
- PCM Technologies was formed in May 2014. It is wholly owned by PCM SA.
- The Kudu Company's securities were transferred in May 2014.
- PCM Group Asia Pacific was formed in June 2014. It is wholly owned by PCM SA.
- PCM Europe and PCM Manufacturing France were formed in August 2014. PCM Europe is wholly owned by PCM SA and PCM Manufacturing France is wholly owned by PCM Europe.
- The Amik Oilfield Equipment & Rentals Company was purchased in December 2014. It is 75% owned by PCM SA.
- Owing to the probable transfer of the Gurtner Company, the assets and liabilities of this Company were reclassified as debt financing as of June 30 2014 (see Note 27).
- There were no other changes in the scope of consolidation in 2014.
- To our knowledge, there are no significant restrictions on subsidiaries transferring funds to the parent company, Gévelot S.A., in the form of cash dividends or repayments of loans or advances.

2.3. Exchange rates for financial statements prepared in foreign currencies

The companies' balance sheet items were translated at the closing exchange rate on 31 December 2014 and their expense and income account items were translated using the following average exchange rates:

	Closing rate		Average rate	
Currency	2014	2013	2014	2013
1 US dollar	€ 0.8237	€ 0.7251	€ 0.7526	€ 0.7529
1 pound sterling	€ 1.2839	€ 1.1995	€ 1.2401	€ 1.1774
1 Chinese yuan	€ 0.1327	€ 0.1198	€ 0.1221	€ 0.1225
1 Omani rial	€ 2.1468	€ 1.8904	€ 1.9670	€ 1.9531
1 Canadian dollar	€ 0.7111	€ 0.6816	€ 0.6817	€ 0.7307
1 United Arab Emirates dirham	€ 0.2250	€ 0.1981	€ 0.2062	€ 0.2047
1 Kazakhstani tenge	€ 0.0045	€ 0.0047	€ 0.0042	€ 0.0049
1 Singaporean dollar	€ 0.6227	-	€ 0.5941	-

Note 3 : Share capital

(in euros)	At 31/12/2013			Period 2014	At 31/12/2014		
	Ordinary	Treasury	Total	Cancelled	Ordinary	Treasury	Total
Ordinary shares							
Number	905 964	3 702	909 666	-	898 207	11 459	909 666
Par value	35	35	35	-	35	35	35
Total	31 708 740	129 570	31 838 310	-	31 437 245	401 065	31 838 310

Composition of share capital:

As of 31 December 2014, authorized share capital totalled 31,838 thousand euros, comprising 909,666 ordinary shares with a par value of 35 euros, issued and fully paid-up.

As part of the adoption, June 19, 2014 of the tenth Resolution of the Combined General Meeting, the Board of Directors received delegation for the implementation of a share buyback programme for cancellation.

The Group bought back 7,757 of its own shares for a total amount of 707 K€ during the fiscal year 2014.

As of 31 December 2014, the Group hold 11, 459 of its own shares. The weighted average number corresponding to these shares is 8,852. The weighted average number of common shares outstanding during the fiscal year 2014 is thus 900,814.

The Group does not have any stock option plans (purchase and / or subscription) under which options on Company shares are awarded to certain employees and senior managers.

Note 4 : Goodwill, intangible and tangible capital assets

4.1. Goodwill, intangible and tangible capital assets

31.12.2014	Goodwill	Development expenses	Software and other	In progress	Advances and down payments	Intangible capital assets
Gross value						
At opening	952	9 599	7 038	688	-	17 325
Acquisitions and increases	-	204	217	1 029	15	1 465
Disposals	-	(94)	(40)	-	-	(134)
Transfers	-	350	87	(437)	-	-
Translation adjustments	240	-	26	8	-	34
Changes in consolidation scope	3 997	-	8	-	-	8
Activities held for sale or in process of transfer	-	(977)	(341)	-	-	(1 318)
At closing	5 189	9 082	6 995	1 288	15	17 380
Amortisation and depreciation						
At opening	-	(6 898)	(5 579)	-	-	(12 477)
Expenses	-	(1 225)	(386)	-	-	(1 611)
Net depreciation	-	-	-	-	-	-
Disposals	-	60	40	-	-	100
Translation adjustments	-	-	(13)	-	-	(13)
Changes in consolidation scope	-	-	(6)	-	-	(6)
Activities held for sale or in process of transfer	-	967	302	-	-	1 269
At closing	-	(7 096)	(5 642)	-	-	(12 738)
Net value at opening	952	2 701	1 459	688	-	4 848
Net value at closing	5 189	1 986	1 353	1 288	15	4 642

31.12.2013	Goodwill	Development expenses	Software and other	In progress	Advances and down payments	Intangible capital assets
Gross value						
At opening	973	8 652	6 849	710	-	16 211
Acquisitions and increases	-	217	193	747	-	1 157
Disposals	-	(34)	(32)	(7)	-	(73)
Transfers	-	764	34	(761)		37
Translation adjustments	(21)	-	(6)	(1)	-	(7)
At closing	952	9 599	7 038	688	-	17 325
Amortisation and depreciation						
At opening	-	(5 712)	(5 282)	-	-	(10 994)
Expenses	-	(1 202)	(331)	-	-	(1 533)
Net depreciation	-	-	-	-	-	-
Disposals	-	16	32	-	-	48
Translation adjustments	-	-	2	-	-	2
At closing	-	(6 898)	(5 579)	-	-	(12 477)
Net value at opening	973	2 940	1 567	710	-	5 217
Net value at closing	952	2 701	1 459	688	-	4 848

4.1. (continued) : Goodwill, intangible and tangible capital assets

31.12.2014	Administrative land and buildings	Industrial land and buildings	Plant and machinery	Other	In progress	Advances and down payments	Tangible capital assets
Gross value							
At opening	6 355	33 639	194 774	11 724	3 593	1 672	251 757
Acquisitions and increases	-	2 895	2 955	645	7 792	3 202	17 489
Disposals	-	-	(741)	(466)	(6)	(532)	(1 745)
Transfers	-	897	4 603	78	(5 462)	(116)	-
Translation adjustments	56	213	679	92	-	-	1 040
Changes in consolidation scope	-	-	2 237	-	-	-	2 237
Activities held for sale or in process of transfer	-	(5 135)	(6 319)	(374)	-	(31)	(11 859)
At closing	6 411	32 509	198 188	11 699	5 917	4 195	258 919
Amortisation and depreciation							
At opening	(257)	(10 354)	(168 694)	(8 271)	-	-	(187 576)
Expenses	(50)	(622)	(3 835)	(813)	-	-	(5 320)
Net depreciation	-	-	-	-	-	-	-
Disposals	-	-	715	417	-	-	1 132
Transfers	-	-	-	-	-	-	-
Translation adjustments	(2)	(28)	(223)	(51)	-	-	(304)
Changes in consolidation scope	-	-	(1 077)	-	-	-	(1 077)
Activities held for sale or in process of transfer	-	3 180	6 319	308	-	-	9 807
At closing	(309)	(7 824)	(166 795)	(8 410)	-	-	(183 338)
Net value at opening	6 098	23 285	26 080	3 453	3 593	1 672	64 181
Net value at closing	6 102	24 685	31 393	3 289	5 917	4 195	75 581

31.12.2013	Administrative land and buildings	Industrial land and buildings	Plant and machinery	Other	In progress	Advances and down payments	Tangible capital assets
Gross value							
At opening	5 354	33 204	191 897	11 634	3 022	121	245 232
Acquisitions and increases	-	583	1 859	806	4 952	1 632	9 832
Land and buildings revaluation	(514)	-	-	-	-	-	(514)
Disposals	(19)	(201)	(1 457)	(728)	(99)	(11)	(2 515)
Transfers	1 551	122	2 607	35	(4 283)	(69)	(37)
Translation adjustments	(17)	(69)	(132)	(23)	1	(1)	(241)
At closing	6 355	33 639	194 774	11 724	3 593	1 672	251 757
Amortisation and depreciation							
At opening	(272)	(7 321)	(163 819)	(7 830)	-	-	(179 242)
Expenses	(45)	(640)	(3 915)	(767)	-	-	(5 367)
Net depreciation	-	(121)	(5 240)	-	-	-	(5 361)
Land and buildings revaluation	41	-	-	-	-	-	41
Disposals	19	132	1 440	701	-	-	2 292
Transfers	-	(2 413)	2 797	(384)	-	-	-
Translation adjustments	-	9	43	9	-	-	61
At closing	(257)	(10 354)	(168 694)	(8 271)	-	-	(187 576)
Net value at opening	5 082	25 883	28 078	3 804	3 022	121	65 990
Net value at closing	6 098	23 285	26 080	3 453	3 593	1 672	64 181

4.2. Property on direct financing leases

Property on direct financing leases has been restated in the corresponding asset accounts as if they had been acquired freehold. The corresponding debt is recognised as a balance sheet liability.
In the income statement, contractual lease payments have been eliminated and replaced with depreciation expenses and finance charges.

	31.12.2014				31.12.2013			
	Administrative land and buildings	Plant and Machinery	Other	Total	Administrative land and buildings	Plant and Machinery	Other	Total
Gross value								
At opening	1 100	14 518	1 202	16 820	-	16 367	903	17 270
Acquisitions and increases	-	1 143	231	1 374	1 400	1 157	344	2 901
Land and buildings revaluation	-	-	-	-	(300)	-	-	(300)
Disposals and decreases	-	(506)	(396)	(902)	-	(3 006)	(45)	(3 051)
At closing	1 100	15 155	1 037	17 292	1 100	14 518	1 202	16 820
Amortisation and depreciation								
At opening	-	(9 379)	(737)	(10 116)	-	(5 526)	(501)	(6 027)
Expenses and increases	-	(1 155)	(175)	(1 330)	-	(5 756)	(261)	(6 017)
Disposals and decreases	-	318	289	607	-	1 903	25	1 928
At closing	-	(10 216)	(623)	(10 839)	-	(9 379)	(737)	(10 116)
Net value at opening	1 100	5 139	465	6 704	-	10 841	402	11 243
Net value at closing	1 100	4 939	414	6 453	1 100	5 139	465	6 704

4.3. Valuation method

Depreciation

In accordance with the principle stated in Note 1.2.4, on 31 December 2014 the Group carried out a comparison of the net carrying amount of the assets and their value in use for CGUs showing one or more indications of impairment (Gévelot Extrusion, Dold), and for the CGU incorporating goodwill (PCM Group UK).

Value in use is defined as the sum of future discounted cash flows estimated on the basis of three-year activity and investment plans. The growth rates used to extrapolate forecasted cash flows beyond three years are 1% for the Extrusion sector and 1% for the Pumps sector (1% for all sectors for the tests carried out at the end of 2013).

The discount rates applied are 10% for Gévelot Extrusion, 9% for Dold in Germany and 11% for the Pumps sector (respectively 10%, 9% and 11 % for the tests carried out at the end of 2013) and correspond to the average cost of the capital after tax, taking each segment's specific market rates and risk premiums into account.

These approaches are based on the Group best estimates in an uncertain economic environment.
The new tests as of 31 December did not lead to additional depreciations at the end of 2014 beyond depreciations recognized at the end of 2013.

The sensitivity of the value in use calculations to changes in the various assumptions is set out in the table below:

	CGU carrying amount	Difference in value between the Test and Accounts	Discount rate	Indefinite growth rate	Change in cash flow
Change			+0,5%	-0,5%	-10%
Extrusion sector					
Gévelot Extrusion	32,0 M€	+2,3 M€	-1,7 M€	-1,3 M€	-3,4 M€
Dold	24,5 M€	+0,2 M€	-1,5 M€	-1,2 M€	-2,5 M€
Total Extrusion sector	56,5 M€	+2,5 M€	-3,2 M€	-2,5 M€	-5,9 M€
Pumps sector					
PCM Group UK	3,4 M€	+1,0 M€	-0,2 M€	-0,2 M€	-0,4 M€

There being no indication of impairment in the Pumps sector, no value test was performed except for PCM Group UK.

Note 5 : Financial assets

	2014	2013
Long-term		
Other capitalized securities	-	3
Loans	449	630
Other (*)	1 212	999
Total long-term financial assets	1 661	1 632
Current		
Loans	95	116
Derivative instruments	-	178
Bank term deposit over three months	6 550	3 500
Total current financial assets	6 645	3 794
Total financial assets	8 306	5 426

(*) including K€ 739 in 2014 and K€ 744 in 2013 concern Dold Kaltfliesspressteile GmbH (see note 12)

Loans consist in loans to employees for construction assistance and which are reimbursed over a period of 20 years. These zero-interest loans are discounted to the date they are set up in order to reflect losses over time in the value of future repayments.

Bank term deposits over three months consist of investments maturing in more than three months and not recognised as cash although they are perfectly liquid and risk free.

Note 6 : Inventories

		2014		2013
. Raw materials and other supplies	19 243		17 818	
. Work-in-progress	7 138		8 166	
. Semi-finished and finished goods	11 885		12 931	
. Merchandise	10 176		1 908	
Gross amount		48 442		40 823
. Raw materials and other supplies	(2 262)		(2 309)	
. Work-in-progress	(288)		(358)	
. Semi-finished and finished goods	(331)		(1 003)	
. Merchandise	(66)		(43)	
Depreciation		(2 947)		(3 713)
Total		45 495		37 110

The reversal of write-down of 766 K€ in 2014 is featured in current operational costs.

Note 7 : Trade notes and accounts receivable

	2014	2013
Gross amount	47 921	46 468
Depreciation	(2 600)	(2 828)
Total	45 321	43 640

Credit risk conditions are discussed in the Operating and Financial Review.

As the Group's markets are dominated by just a few players (mainly in the automotive sector), it generates a significant share of its consolidated revenue with major clients that individually account for more than 10% of consolidated revenues. These major clients accounted for 46,2% of Extrusion division revenue in 2014.

Similarly, more than 10% of the Pump division's revenue is generated with a major client.

All dubious or litigious debts have been depreciated.

Note 8 : Other accounts receivable

	2014	2013
Advances and down payments on orders	905	1 036
Central and local government excluding corporate income tax	4 574	2 762
Personnel	239	71
Debit supplier balances	285	233
Other debtors	470	1 169
Prepaid expenses	1 088	992
Total	7 561	6 263

Note 9 : Cash and cash equivalents

	2014	2013
Cash	122 383	18 932
Bank term deposits	13 536	20 790
Open-end and monetary investment funds in euros	8 285	8 148
Cash and cash equivalents	144 204	47 870

Cash and cash equivalents are measured at fair value and mature in the short term.
Rates of bank term deposits are between 0,18% and 1,75%.
€ 2,5 million of the cash belonging to the Group's chinese entities is intended to finance their development.
The strong increase in cash is mainly due to the disposal of Kudu Industries Inc. and advances to customers.
In the consolidated cash flow statement, cash flows and bank overdrafts include:

		2014	2013
Cash and cash equivalents		144 204	47 870
Bank overdrafts	Note 13	(23 671)	(13 949)
Cash position at closing		120 533	33 921

Bank overdrafts correpond to the mobilization of short-term receivables and the resort to short-term credit lines.

Note 10 : Other accounts payable

	2014	2013
Advances and down payments received on orders	24 212	2 997
Tax debts excluding corporate income tax, personnel and welfare agencies	18 617	13 268
Other creditors	3 489	2 044
Deferred income	303	1 281
Total	46 621	19 590

Note 11 : Provisions

	01.01.2014	Provisions	Reversals		Changes	31.12.2014		
			provision used	provision not used	in scope	Total	Under one year	Over one year
Contingency provisions								
. Provisions for litigation settlements	314	53	(14)	(29)	-	324	-	324
. Other contingency provisions	48	47	(48)	-	-	47	47	-
Total	362	100	(62)	(29)	-	371	47	324
Loss provisions								
. Other loss provisions	1 840	715	(3)	-	(50)	2 502 (*)	2 248	254
. Retirement provisions (Note 12)	5 808	2 526	(51)	(35)	(189)	8 059	-	8 059
. Work medal provisions	293	12	(6)	-	(71)	228	-	228
Total	7 941	3 253	(60)	(35)	(310)	10 789	2 248	8 541
Total provisions	8 303	3 353	(122)	(64)	(310)	11 160	2 295	8 865

(**) Other loss provisions include :		
- provisions for operating expenses	134	82
- provisions for personnel expenses	350	349
- provisions for commercial expenses	1 356	2 071
	1 840	2 502

Note 12 : Employee benefits

The Group grants post-employment benefits to its personnel employed in France and in Germany. These expenses are recognised:
- as current operating income for the cost of services rendered, paid services and past services;
- as operating income for regime reductions/liquidations;
- as other financial income and expenses for the net financial charge;
- as other comprehensive income for the effects of revaluation.

Retirement benefits

	France	Germany	2014	2013
Provision in the balance sheet				
Discounted value of obligations covered	5 768	4 306	10 074	9 001
Fair value of the plan's assets	(2 015)	-	(2 015)	(3 193)
Provision recognised in the balance sheet	3 753	4 306	8 059	5 808
Discounted value of obligations covered				
At opening	6 047	2 954	9 001	9 069
Cost of services rendered	263	82	345	411
Financial cost	156	92	248	249
Benefits paid	(373)	(51)	(424)	(314)
Reduction / liquidation of plan	-	-	-	-
Change of plan	-	-	-	-
Actuarial gain / loss of period	766	1 229	1 995	(414)
Changes in scope	(1 091)	-	(1 091)	-
Discounted value of obligations covered	5 768	4 306	10 074	9 001
Fair value of the plan's assets				
At opening	3 193	744	3 937	4 096
Interests income	73	-	73	94
Contributions	35	46	81	37
Benefits paid	(373)	(51)	(424)	(314)
Actuarial gains / losses of period	(11)	-	(11)	24
Changes in scope	(902)	-	(902)	-
Fair value of the plan's assets	2 015	739	2 754	3 937
Change in provisions				
At opening	2 854	2 954	5 808	5 722
Period's expenses / (income)	346	123	469	524
Disbursements	(35)	-	(35)	-
Actuarial gain / loss of period	777	1 229	2 006	(438)
Changes in scope	(189)	-	(189)	-
Change in provisions	3 753	4 306	8 059	5 808
Total expense recognised in income statement				
Cost of services rendered	263	82	345	411
Financial cost	83	92	175	157
Benefits paid	-	(51)	(51)	(44)
Reduction / liquidation of plan	-	-	-	-
Total expense/(income) recognised in income statement	346	123	469	524

Main actuarial assumptions		
- Discount rate	1,50%	1,50%
- Rate of pay rises	2,00%	0%
- Retirement age	62 (non-managerial), 65 (man)	65

The turnover table is at 0% after 56 years.

Defined benefit plans are evaluated by independant actuaries.

In accordance with IAS 19.116, Dold assets are recognised as separate assets because they are not eligible insurance contracts.
At 31 December 2014, these assets totalled K€ 739 and are recognised as "long-term financial assets".

Work medals paid out by Group companies to their personnel are covered by a provision calculated by an independent actuary (see note 11).

Note 13 : Financial liabilities

13.1. Financial liabilities

	2014	2013
Long-term		
Bank loans	17 092	14 386
Other borrowing and financial debt	755	182
Total long-term financial liabilities	17 847	14 568
Current		
Bank loans	4 944	3 501
Other borrowing and financial debt	-	-
Derivatives	612	-
Bank overdrafts	23 671	13 949
Total current financial liabilities	29 227	17 450
Total financial liabilities	47 074	32 018

Bank overdrafts correspond to the mobilization of short-term receivables for € 9,1 M and the resort to short-term credit lines for € 14,6 M.

The Group received innovation aids from Bpifrance. These aids have staggered maturities between 2015 and 2021 and appears as "bank loans". In late 2014, these innovation aids consist of a repayable part for € 1,8 M and a conditional part for € 0,6 M.

These interest-free aids are updated at implementation date in order to take into account the loss of the value of future repayments in time.

13.2. Changes in financial liabilities

	01.01.2014	New loans	Repayments	Translation adjustments	Changes in scope	31.12.2014
Loans and debt with lending institutions (including finance leases)	17 887	8 009	(4 150)	110	792	22 648
Other borrowing and financial debt	182	18	-		555	755
Financial liabilities (excluding overdrafts)	18 069	8 027	(4 150)	110	1 347	23 403
Bank overdrafts	13 949	22 883	(13 949)	-	788	23 671
Total	32 018	30 910	(18 099)	110	2 135	47 074

13.3. Financial liabilities by date of maturity

	Total		Maximum 1 year		1 to 5 years		Over 5 years	
	2014	2013	2014	2013	2014	2013	2014	2013
Loans and debts with lending institutions (including finance leases)	22 648	17 887	5 556	3 501	14 833	13 030	2 259	1 356
Other borrowing and financial debt	755	182	-	-	738	165	17	17
Bank overdrafts	23 671	13 949	23 671	13 949	-	-	-	-
Total	47 074	32 018	29 227	17 450	15 571	13 195	2 276	1 373

Loans and debt from lending institutions are covered by € 0,6 M of collateral.

13.4. Financial liabilities relating to finance lease

	Total		Maximum 1 year		1 to 5 years		Over 5 years	
	2014	2013	2014	2013	2014	2013	2014	2013
Lessor debts and credits	5 994	6 827	1 684	1 961	3 405	3 881	905	985
Total	5 994	6 827	1 684	1 961	3 405	3 881	905	985

13.5. Breakdown of financial liabilities by main currencies

	Total		Euros		US Dollars		Other currencies	
	2014	2013	2014	2013	2014	2013	2014	2013
Loans and debt with lending institutions (including finance leases)	22 648	17 887	19 810	17 569	1 151	318	1 687	-
Other borrowing and financial debt	755	182	200	182	-	-	555	-
Bank overdrafts	23 671	13 949	22 883	13 949	-	-	788	-
Total	47 074	32 018	42 893	31 700	1 151	318	3 030	-

13.6. Breakdown of financial liabilities by type of rate

	2014	2013
Non-covered variable rates (*)	3 386	2 285
Fixed rates	14 023	8 946
Interests	-	11
Overdrafts	23 671	13 949
Finance leases (fixed rates)	5 994	6 827
Total	47 074	32 018

(*) Loans at non-covered variable rates mature between 2015 and 2020.

Weighted average interest rate is Euribor 3M + 1,75 for loans at non-covered variable rates.

Interest rate varie between 0% and 5,5% for loans at fixed rates.

Note 14 : Taxes

14.1. Payable taxes

	01.01.2014	Payments	Down payments	Research tax credit	Competitiveness & employment tax credit	Period expense	31.12.2014
Asset	(2 901)	1 764	(1 227)	(784)	(586)	3 641	(93)
Liability	105	(105)	(360)	(140)	(10)	3 408	2 898
Total						7 049	

14.2. Deferred taxes

		Movements				
	01.01.2014	Income statement	Other operating results	Changes in scope	Other (incl. translation)	31.12.2014
Deferred tax assets	(4 932)	(1 138)	(688)	176	(53)	(6 635)
Deferred tax liabilities	7 371	676	-	(397)	84	7 734
Total	2 439	(462)	(688)	(221)	31	1 099

Deferred tax assets mainly result from differentials of valuation and amortization of fixed assets (1,6 M€), provisions for pensions and other employee benefits (2,0 M€), tax temporary differences (2,3 M€) and eliminations of margins on inventories (0,7 M€).

Deferred tax liabilities arise mainly from differentials of valuation and amortization of fixed assets (€ 2.7 M), restatements of finance lease contracts (€ 0.3 M) and regulated provisions (€ 4,5 M).

14.3. Income tax expenses

The breakdown of tax in the income statement is as follows:

	2014	2013
Payable taxes	7 049	1 753
Deferred taxes (*)	(462)	201
Total	6 587	1 954

(*)Deferred tax expenses / income breaks down as follows:		
- Income / expenses from net provisions for / reversals of intangible and tangible capital asset amortisation	971	1 131
- Income / expenses from net provisions for / reversals of intangible and tangible capital asset depreciation	-	(1 846)
- Expenses on reversed regulated provisions and other taxes	59	131
- Other income and expenses	(247)	(35)
- Carried over deficits	(402)	(15)
- Other timing differences	(843)	835
Total deferred tax expense / (income)	(462)	201

Reconciliation of the theoretical and the recognised income tax expense:

			2014
Current operating income of consolidated companies			78 415
Theoretical tax expense / income in France	(25 661)		
Theoretical tax expense / income in Germany	(1 098)		
Theoretical tax expense / income in England	(50)		
Theoretical tax expense / income in Italy	(24)		
Theoretical tax expense / income in America	(13)		
Theoretical tax expense / income in China	81		
Theoretical tax expense / income in Oman	20		
Theoretical tax expense / income in Singapore	14		
Total theoretical income tax expense		(26 731)	
Net impact of non-deductible or non-taxable expenses and income		20 144	
Effective income tax expense on current operations			(6 587)
Net income from continuing operations			71 828

The net impact of non-deductible or non-taxable expenses and income essentially includes permanent timing differences.

Rate of corporate income tax

Rate of corporate income tax	2014	2015 and subsequent financial years		2014	2015 and subsequent financial years
France	34,43%	34,43%	Italy	31,40%	31,40%
Germany	28,25%	28,25%	Oman	12,00%	12,00%
America	34,00%	34,00%	Kazakhstan	20,00%	20,00%
England	20,00%	20,00%	Singapore	17,00%	17,00%
China	25,00%	25,00%			

Note 15 : Income from operating activities

	France	Foreign countries	2014	2013
Sales of goods	154	32 155	32 309	26 982
Production sold :				
. of goods	65 426	110 571	175 997	184 414
. of services	1 072	2 425	3 497	1 886
Turnover	66 652	145 151	211 803	213 282
Operating grants			883	1 026
Other income			3 784	1 611
Other income from operating activities			4 667	2 637
Total income from operating activities			216 470	215 919

"Operating grants" mainly consist in research tax credits.

Note 16 : Current operating expenses

			2014	2013
Production stored			(1 452)	(34)
Capitalised production			(819)	(861)
Purchases of goods			5 560	4 054
Changes in goods inventory			(3 537)	(261)
Purchases of raw materials and other supplies			72 367	67 289
Changes in inventories of raw materials and other supplies			2 919	(963)
Other purchases and external charges			48 933	44 279
Payroll expenses			71 312	64 041
Taxes and comparable payments			4 059	4 123
Depreciation and estimated expenses:				
. on capital assets	- depreciation expenses	Note 4	6 931	6 765
. on current assets	- estimated expenses		371	1 002
. contingency	- estimated expenses		951	(454)
Other expenses			780	536
Total current operating expenses			208 375	189 516

Note 17 : Financial income/(loss)

	2014	2013
Interest generated by cash and cash equivalents	221	245
Net earnings from sales of short-term investments	706	83
Income from cash and cash equivalents	927	328
Interest charges on financing transactions	513	362
Gross cost of financial indebtedness	513	362
Net cost of financial indebtedness	414	(34)
Income from non-consolidated investments	-	1 089
Discounted financial income	25	8
Positive change in fair value of assets and liabilities measured at fair value	213	49
Exchange gains	6 778	673
Other financial income	(16)	31
Total other financial income	7 000	1 850
Discounted financial expenses	46	61
Negative change in fair value of assets and liabilities measured at fair value	226	30
Exchange losses	1 287	399
Other financial expenses	451	252
Total other financial expenses	2 010	742
Income/(loss) from other financial income and expenses	4 990	1 108
Financial income/(loss)	5 404	1 074

Note 18 : Segment information

18.1. Breakdown of fixed assets by business segment

	At 31.12.2014				At 31.12.2013				
	Extrusion	Pumps	Other business	Total	Extrusion	Pumps	Mechanical Engineering	Other business	Total
Goodwill (1)	-	5 189	-	5 189	-	952	-	-	952
Intangibles subtotal	10 320	7 026	34	17 380	9 471	6 502	1 318	34	17 325
Land and buildings	23 206	13 233	2 481	38 920	20 892	11 486	5 135	2 481	39 994
Industrial plant and other	176 785	32 867	235	209 887	171 696	27 876	6 693	233	206 498
Construction work in progress	3 638	2 219	60	5 917	2 291	1 302	-	-	3 593
Advances and down payments	4 195	-	-	4 195	1 589	-	31	52	1 672
Tangibles subtotal	207 824	48 319	2 776	258 919	196 468	40 664	11 859	2 766	251 757
Gross values	218 144	60 534	2 810	281 488	205 939	48 118	13 177	2 800	270 034
Accumulated amortisation/depreciation	171 826	24 004	246	196 076	168 101	20 636	11 076	240	200 053
Net values	46 318	36 530	2 564	85 412	37 838	27 482	2 101	2 560	69 981
Period's expenses	4 317	2 438	176	6 931	9 429	2 379	402	51	12 261
Total balance sheet by business segment	96 191	229 480	66 603		88 491	114 032	10 201	62 380	

(1) concerns PCM Group UK Ltd. and Amik Oilfield Equipment & Rentals Ltd. in 2014 and PCM Group UK Ltd. in 2013.

Gévelot SA's land and buildings are put at the disposal of the Extrusion sector for € 10,6 M and the Pumps sector for € 2,2 M.

Total capital expenditure on intangibles and tangibles in 2014 amounted to :

Cold Extrusion & Machining :	13 399 K€
Pumps / Fluid Technology :	5 439 K€
-	-
Other business :	116 K€
	18 954 K€

Total capital expenditure on intangibles and tangibles in 2013 amounted to :

Cold Extrusion & Machining :	7 824 K€
Pumps / Fluid Technology :	2 724 K€
Mechanical Engineering/Engine and Gas Equipm	314 K€
Other business :	127 K€
	10 989 K€

18.2. Changes in financial liabilities by business segment

	01.01.2014	Repayments	New loans	Changes in scope and translations	31.12.2014
Loans and debt with lending institutions (incl. Finance leases)					
Cold Extrusion & Machining	14 681	(3 363)	5 589	46	16 953
Pumps / Fluid Technology	1 765	(721)	2 369	1 009	4 422
Mechanical Engineering/Engine and Gas Equipment	102	-	-	(102)	-
Other business	1 339	(66)	-	-	1 273
Subtotal	17 887	(4 150)	7 958	953	22 648
Other loans and financial debts	182	-	18	555	755
Bank overdrafts					
Cold Extrusion & Machining	8 459	(8 459)	10 296	-	10 296
Pumps / Fluid Technology	5 487	(5 487)	12 583	788	13 371
Other business	3	(3)	4	-	4
Subtotal	13 949	(13 949)	22 883	788	23 671
Total	32 018	(18 099)	30 859	2 296	47 074

18.3. Consolidated turnover by business segment

	31.12.2014			31.12.2013		
	Outside Group	Intra Group	Total	Outside Group	Intra Group	Total
Cold Extrusion & Machining	113 003	1 403	114 406	110 535	754	111 289
Pumps / Fluid Technology	98 667	32 493	131 160	88 586	15 496	104 082
Other business	133	3 204	3 337	100	2 565	2 665
Eliminations and reconciliations	-	(37 100)	(37 100)	-	(18 815)	(18 815)
Total	211 803	-	211 803	199 221	-	199 221

18.4. Results by business segment

Results of operations

	2014 Outside Group	2014 Intra Group	2014 Total	2013 Outside Group	2013 Intra Group	2013 Total
Cold Extrusion & Machining	4 552	(2 155)	2 397	5 961	(2 204)	3 757
Pumps / Fluid Technology	6 571	(1 451)	5 120	8 824	(786)	8 038
Other business	(3 028)	3 606	578	(2 503)	2 990	487
Total	8 095	-	8 095	12 282	-	12 282

Transition from results of operations to revenue	Extrusion	Pumps	Other business	Total 2014	Total 2013
Results of operations	2 397	5 120	578	8 095	12 282
Kudu disposal	-	64 621	-	64 621	-
Other operating income	3	23	18	44	26
Litigation	(136)	(20)	-	(156)	(145)
Impairment of non-current assets (note 4)	-	-	-	-	(5 094)
Country risks	-	565	-	565	(289)
Other operating expenses	(1)	(146)	(11)	(158)	(561)
Revenue	2 263	70 163	585	73 011	6 219

Revenue

	2014 Outside Group	2014 Intra Group	2014 Total	2013 Outside Group	2013 Intra Group	2013 Total
Cold Extrusion & Machining	4 418	(2 155)	2 263	615	(2 204)	(1 589)
Pumps / Fluid Technology	71 614	(1 451)	70 163	8 110	(786)	7 324
Other business	(3 021)	3 606	585	(2 506)	2 990	484
Total	73 011	-	73 011	6 219	-	6 219

Earnings before tax of consolidated companies

	2014 Outside Group	2014 Intra Group	2014 Total	2013 Outside Group	2013 Intra Group	2013 Total
Cold Extrusion & Machining	4 005	(2 167)	1 838	203	(2 219)	(2 016)
Pumps / Fluid Technology	77 318	(1 451)	75 867	9 463	(786)	8 677
Other business	(2 908)	3 618	710	(2 373)	3 005	632
Total	78 415	-	78 415	7 293	-	7 293

Net income from continuing operations

	2014 Outside Group	2014 Intra Group	2014 Total	2013 Outside Group	2013 Intra Group	2013 Total
Cold Extrusion & Machining	1 489	(1 421)	68	(487)	(1 455)	(1 942)
Pumps / Fluid Technology	70 285	(951)	69 334	6 851	(515)	6 336
Other business	54	2 372	2 426	(1 031)	1 970	939
Total	71 828	-	71 828	5 333	-	5 333

18.5. Breakdown of fixed assets by geographical segment

	At 31.12.2014				At 31.12.2013			
	France	Germany	Other countries	Total	France	Germany	Other countries	Total
Goodwill [1]	-	-	5 189	5 189	-	-	952	952
Intangibles subtotal	13 091	3 952	337	17 380	13 271	3 785	269	17 325
Land and buildings	25 616	10 656	2 648	38 920	29 309	8 342	2 343	39 994
Industrial plant and other	152 331	48 727	8 829	209 887	153 426	48 514	4 558	206 498
Construction work in progress	5 013	904	-	5 917	3 313	280	-	3 593
Advances and down payments	137	4 057	1	4 195	231	1 435	6	1 672
Tangibles subtotal	183 097	64 344	11 478	258 919	186 279	58 571	6 907	251 757
Gross values	196 188	68 296	17 004	281 488	199 550	62 356	8 128	270 034
Accumulated amortisation / depreciation	143 810	48 517	3 749	196 076	150 729	47 395	1 929	200 053
Net values	52 378	19 779	13 255	85 412	48 821	14 961	6 199	69 981
Period's expenses	4 450	1 853	628	6 931	9 992	1 797	472	12 261

[1] concerns PCM Group UK Ltd. and Amik Oilfield Equipment & Rentals Ltd. in 2014 and PCM Group UK Ltd. in 2013.

18.6. Consolidated turnover by geographical segment

		31.12.2014			31.12.2013	
France		66 652	*31,5%*		67 378	*33,8%*
. Germany	36 602			34 863		
. Other European Union countries	41 248			42 230		
. Other European countries	1 925			940		
. America	26 137			24 702		
. Other areas	39 239			29 108		
Foreign countries		145 151	*68,5%*		131 843	*66,2%*
Total		211 803	*100,0%*		199 221	*100,0%*

Note 19 : Research and development

Research and development expenses for the entire group amounted to K€ 2,453, K€ 820 of which were capitalized in accordance with IAS 38.

Note 20 : Financial instruments

	31.12.2014		Breakdown by category of instruments [1]				
	Value in balance sheet	Fair value	Fair value on profit and loss	Assets held for sale	Loans, receivables and other payables	Liabilities at amortized cost	Derivatives
- Long-term financial assets	1 661	1 661	-	-	1 661	-	-
- Trade accounts receivable	45 321	45 321	-	-	45 321	-	-
- Other receivables	7 561	7 561	-	-	7 561	-	-
- Current financial assets	6 645	6 645	6 550	-	95	-	-
- Cash and cash equivalents	144 204	144 204	144 204	-	-	-	-
- Long-term assets held for sale	-	-	-	-	-	-	-
- Activities held for sale	5 029	5 029	-	5 029	-	-	-
Assets	210 421	210 421	150 754	5 029	54 638	-	-
- Long-term financial liabilities	17 847	17 847	-	-	-	17 847	-
- Trade accounts payable	27 233	27 233	-	-	27 233	-	-
- Payables to fixed asset suppliers	1 518	1 518	-	-	1 518	-	-
- Other payables	46 621	46 621	-	-	46 621	-	-
- Current financial liabilities	29 227	29 227	-	-	-	28 615	612
- Liabilities related to activities held for sale	3 829	3 829	-	3 829	-	-	-
Liabilities	126 275	126 275	-	3 829	75 372	46 462	612

(1) No reclassification between categories of financial instruments has been performed during the accounting year.

	31.12.2013		Breakdown by category of instruments [1]				
	Value in balance sheet	Fair value	Fair value on profit and loss	Assets held for sale	Loans receivables and other payables	Liabilities at amortized cost	Derivatives
- Long-term financial assets	1 632	1 632	-	-	1 632	-	-
- Trade accounts receivable	43 640	43 640	-	-	43 640	-	-
- Other receivables	6 263	6 263	-	-	6 263	-	-
- Current financial assets	3 794	3 794	3 500	-	116	-	178
- Cash and cash equivalents	47 870	47 870	47 870	-	-	-	-
- Long-term assets held for sale	10 010	10 010	-	10 010	-	-	-
Assets	113 209	113 209	51 370	10 010	51 651	-	178
- Long-term financial liabilities	14 568	14 568	-	-	-	14 568	-
- Trade accounts payable	26 286	26 286	-	-	26 286	-	-
- Payables to fixed asset suppliers	1 342	1 342	-	-	1 342	-	-
- Other payables	19 590	19 590	-	-	19 590	-	-
- Current financial liabilities	17 450	17 450	-	-	-	17 450	-
Liabilities	79 236	79 236	-	-	47 218	32 018	-

(1) No reclassification between categories of financial instruments has been performed during the accounting year.

The fair value of "cash and cash equivalents" is the same as their book value owing to their very short-term maturity. "Current financial assets" recognised at fair value through profit or loss correspond to term deposits reclassified owing to their not being included in cash.

"Non-current assets held for sale" classified as "assets held for sale" are valued at their net book value.

Financial assets and liabilities classified as "loans, receivables and other liabilities":
- "non-current financial assets" and "current financial assets" are valued at amortized costs;
- the fair value of "customer accounts receivable and related accounts" and "other debtors", as well as "supplier accounts payable", "supplier accounts payable on fixed assets" and "other creditors" is the same as their balance sheet value, including possible depreciations, owing to their very short settlement times.

"Long-term financial liabilities" and "current financial liabilities" are valued at amortized cost, calculated using the effective interest rate (EIR).

Derivative instruments mean financial tools used by the company for hedging currency risks. Foreign exchange contracts consist of forward purchases and sales of foreign currencies.

MANAGING FINANCIAL RISKS

Apart from its variable-rate loans, the Group has no significant market risks on its financial debt and receivables or its short-term investments. The Group's short-term investments portfolio primarily includes monetary investments. The Group has some partially share-backed short-term investments but the overall risk of loss in value is negligible given the very short time they are held and the guarantees provided. The return on them is comparable to market rates.

The Group is exposed to some foreign exchange risk on its exports. When they are significant, they are generally covered by foreign exchange hedges transactions (purchases / sales in currency futures).

Concerning the liquidity risk management and in order to finance development projects, the Group pursues a policy of proactive refinancing and prudent cash management. On December 31, 2014, the net financial structure was positive and amounted to € 103,775 K.

Additional information on how the Group manages risk is provided in the operating and financial review.

FINANCIAL INSTRUMENTS - FAIR VALUE HIERARCHY

Financial instruments estimated at fair value are level 1 (market exchange prices).

Note 21 : Rental and lease agreements

Type of contract	Total future payments	Discounted value	Net underlying value	Currency	Average residual duration	< 1 yr	> 1 yr < 5 yr	> 5 yr	Rate of interest	Discount rate
Rental - for operations	443	434		Euro	1,5 an	323	120	-	n/a	3,00%
Rental - non-operating	1 166	1 127		Euro	2 ans	615	551	-	n/a	3,00%
Finance leases	6 647	6 324	13 443	Euro	5 ans	1 898	3 668	1 081	3,11%	3,00%

Rental agreements are straightforward agreements for periods of 3 to 10 years.
"For operations" primarily includes the renting of storage space and handling equipment.
"Non-operating" primarily includes computing hardware, office equipment and company vehicles.
Most of the finance leases are on Gévelot Extrusion's production equipment (presses, plant).
An expense of approximately €1,2 million was recognised in 2014 for straightforward rental agreements.

Note 22 : Managers' remuneration

	2014	2013
Short-term benefits (excluding social security charges)	865	823
Social security charges	290	283
Total	1 155	1 106

Managers include members of the Board of Directors and Gévelot S.A.'s Senior Management.
Remuneration includes gross salary, premiums, fringe benefits and directors' fees.
Corporate officers have no specific retirement plan.

Note 23 : Average headcount

	2014	2013
Managerial and executive	256	229
Supervisory, clerical and blue-collar	1 168	1 039
Total	1 424	1 268
Temporary workers	108	91

Note 24 : Off-balance sheet commitments

Contractual obligations

	2014	2013
Pledges, bonds and guarantees	1 749	2 952
Total	1 749	2 952

Commitments received

	2014	2013
Pledges, bonds and guarantees	403	1 213
Total	403	1 213

Individual training rights:
In accordance with Law n° 2004-391 of 4 May 2004 on professional training, employees of the Group's French companies are entitled to at least 20 hours of training per calendar year over a maximum duration of six years. After this period is completed and unless it has been used, all rights will be capped at 120 hours.

The number of cumulative hours not consumed as of the end of 2014 was 75,605 hours vs. 82,552 hours as of the end of 2013. Some 787 hours were accumulated during 2014.
No provision was set aside, as training is paid for entirely by our certified fund collection entity.

Note 25 : Affiliated companies

Transactions with affiliates who are natural persons (directors, corporate officers and their relatives) are insignificant.

Note 26 : Fees of Auditors and members of their network

	PRICEWATERHOUSECOOPERS				C.R.E.A.			
(in euros)	2014		2013		2014		2013	
	Amount	%	Amount	%	Amount	%	Amount	%
Audit								
Auditing, certification, review of individual and consolidated financial statements	108 740	100%	91 300	100%	99 500	100%	99 600	100%
Issuer	*57 500*	*53%*	*57 600*	*63%*	*57 500*	*58%*	*57 600*	*58%*
Fully consolidated subsidiaries	*51 240*	*47%*	*33 700*	*37%*	*42 000*	*42%*	*42 000*	*42%*
Services directly relating to audit engagements	-	-	-	-	-	-	-	-
Issuer	-	-	-	-	-	-	-	-
Fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Subtotal	108 740	100%	91 300	100%	99 500	100%	99 600	100%
Other services rendered								
Legal, fiscal, social	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Total	108 740	100%	91 300	100%	99 500	100%	99 600	100%

Note 27 : Activities held for sale or in process of transfer

I.F.R.S. accounting basis ASSETS *(in thousands of euros)*	Net amount at 31.12.2014 *(a)*	Net amount at 31.12.2013 *(b)*
Intangible assets	87	-
Tangible assets	2 237	-
Financial assets	216	-
Interests in associated companies	-	10 010
Inventories	2 895	-
Trade notes and accounts receivable	2 335	-
Other receivables	862	-
Cash and cash equivalents	914	-
Loss resulting from the evaluation at fair value of the activities held for sale	(4 517)	-
ASSETS HELD FOR SALE	5 029	10 010

I.F.R.S. accounting basis LIABILITIES *(in thousands of euros)*	Net amount at 31.12.2014 *(a)*	Net amount at 31.12.2013 *(b)*
Provisions for employee benefits	461	-
Other provisions	91	-
Financial liabilities	71	-
Deferred tax liability	279	-
Trade accounts payable	1 047	-
Accounts payable to asset suppliers	49	-
Other accounts payable	1 331	-
Bank overdrafts	500	-
LIABILITIES RELATED TO ASSETS HELD FOR SALE	3 829	-

(a) On 31 December 2014, the assets and liabilities held for sale correspond to the assets and liabilities of Gurtner (see Note 1B).

(b) On 31 December 2013, the assets held for sale corresponded to the securities of Kudu Industries Inc.. This stake was transferred in May 2014 (see Note 1B).

I.F.R.S. accounting basis INCOME STATEMENT *(in thousands of euros)*	Period 2014	Period 2013
Turnover	12 158	14 133
Current operating income	98	451
Operating profit	(342)	324
Financial income	20	30
Income tax expense	(58)	6
Post-tax income of activities held for sale	(380)	360
Post-tax loss resulting from the evaluation at fair value of the activities held for sale *(c)*	(4 517)	-
NET INCOME FROM ACTIVITIES HELD FOR SALE	(4 897)	360

(c) The loss of value of the activities held for sale was observed on the basis of the transfer price

CONSOLIDATED CASH FLOW

(in thousands of eursos)	31.12.2014	31.12.2013
Net earnings from operations held for sale	(4 897)	360
Net cash flows from operating activities	(104)	490
Net cash flows from investing activities	(258)	(308)
Net cash flows from financing activities	(1 036)	(31)
NET CASH FLOWS	(1 398)	151
Cash position at opening	1 812	1 661
Cash position at closing *(d)*	414	1 812

(d) Reclassified as assets and liabilities related to activities held for sale on 31 December 2014.

Impacts on 2013 accounts of restatements related to the reclassification of the Mechanical sector's activity into "Activities held for sale or in process of transfer" are presented in the following tables:

INCOME STATEMENT

(in thousands of euros)	31.12.2013 published in April 2014	2013 Restatements	31.12.2013 restated and published in April 2015
Turnover	213 282	(14 061)	199 221
Current operating income	12 733	(451)	12 282
Operating profit	6 543	(324)	6 219
Pre-tax income/(loss) of consolidated companies	7 647	(354)	7 293
Net income/(loss) of consolidated companies	5 693	(360)	5 333
NET INCOME FROM CONTINUING OPERATIONS	5 693	(360)	5 333
Net income from activities held for sale or in process of transfer	-	360	360
NET CONSOLIDATED INCOME	5 693	-	5 693
Proportion of interests not conferring control	4	-	4
Share going to consolidating entity	5 689	-	5 689

CONSOLIDATED CASH FLOW

(in thousands of euros)	31.12.2013 published in April 2014	2013 Restatements	31.12.2013 restated and published in April 2015
Net income/(loss) of consolidated companies	5 693	-	5 693
Net income from activities held for sale or in process of transfer	-	360	360
Net income from continuing operations	5 693	(360)	5 333
Net cash flow from continuing operations	17 596	(490)	17 106
Net cash flow from investments of continuing activities	(10 616)	308	(10 308)
Net cash flow from financing operations of continuing activities	4 712	31	4 743
Reclassification impact of activities held for sale or in process of transfer	-	151	151
NET CHANGE IN CASH POSITION	11 692	-	11 692
Cash position at opening	22 365	-	22 365
Cash position at closing	33 921	-	33 921
Exchange profits/(losses) on cash flows	136	-	136
	11 692	-	11 692

RAPPORT DES COMMISSAIRES AUX COMPTES
SUR LES COMPTES CONSOLIDES
(Exercice clos le 31 décembre 2014)

Aux Actionnaires
Gévelot SA
6, boulevard Bineau
92300 Levallois-Perret

En exécution de la mission qui nous a été confiée par votre Assemblée Générale, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2014, sur :

- le contrôle des comptes consolidés de la société Gévelot, tels qu'ils sont joints au présent rapport ;
- la justification de nos appréciations ;
- la vérification spécifique prévue par la loi.

Les comptes consolidés ont été arrêtés par le Conseil d'administration. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I - Opinion sur les comptes consolidés

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France ; ces normes requièrent la mise en œuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes consolidés ne comportent pas d'anomalies significatives. Un audit consiste à vérifier, par sondages ou au moyen d'autres méthodes de sélection, les éléments justifiant des montants et informations figurant dans les comptes consolidés. Il consiste également à apprécier les principes comptables suivis, les estimations significatives retenues et la présentation d'ensemble des comptes. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Nous certifions que les comptes consolidés de l'exercice sont, au regard du référentiel IFRS tel qu'adopté dans l'Union européenne**,** réguliers et sincères et donnent une image fidèle du patrimoine, de la situation financière, ainsi que du résultat de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur les points suivants :

- le paragraphe B. "Faits significatifs" de la note 1 et la note 18 de l'annexe aux comptes consolidés qui exposent, en particulier, l'impact financier de la cession par votre filiale PCM SA de sa participation dans la société canadienne Kudu Industries Inc. ;

- les paragraphes B. "Faits significatifs", D. « Modifications apportées aux comptes antérieurement publiés », E. « Evénements postérieurs à la clôture du Bilan » de la note 1 et la note 27 « Activités destinées à être cédées ou en cours de cession » de l'annexe aux comptes consolidés qui exposent la cession de la Société Gurtner et sa présentation en activité destinée à être cédée au 31 décembre 2014.

II - Justification des appréciations

En application des dispositions de l'article L.823-9 du Code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance l'élément suivant :

Comme la note 1.2.4 de l'annexe le précise, le groupe procède à des tests de valeur au moins une fois par an pour les actifs non financiers ayant une durée de vie indéterminée et les goodwill et, lorsqu'apparaissent des indices de perte de valeur, pour les autres actifs amortissables. La valeur recouvrable de ces actifs, regroupés par unité génératrice de trésorerie, est comparée à leur valeur nette comptable. En 2014, les tests ainsi réalisés n'ont pas conduit à constater de perte de valeur (note 4.3 de l'annexe). Dans le cadre de notre appréciation des estimations significatives retenues pour l'arrêté des comptes, nous avons vérifié la conformité de l'approche adoptée avec le référentiel IFRS ainsi que la correcte application des modalités de mise en œuvre des tests de perte de valeur décrites dans l'annexe. Nous avons également examiné la documentation disponible comprenant notamment les prévisions de flux de trésorerie et les autres hypothèses retenues.

Comme indiqué dans la note 1 de l'annexe, la participation dans la Société Gurtner a été présentée selon IFRS 5 en activité destinée à être cédée au 31 décembre 2014. Dans le cadre de notre appréciation des principes comptables suivis par votre société, nous avons vérifié le caractère approprié des modalités de comptabilisation visées ci-dessus et des informations fournies dans les notes aux états financiers.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes consolidés, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

III - Vérification spécifique

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, à la vérification spécifique prévue par la loi des informations données dans le rapport sur la gestion du groupe.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés.

Fait à Neuilly-sur-Seine et Paris, le 29 avril 2015
Les Commissaires aux Comptes

PricewaterhouseCoopers Audit	**CREA**
Yan Ricaud	Bernard Roussel

Individual financial statements at 31 December 2014

Balance sheet at 31 December 2014

ASSETS (in thousands of euros)	Gross amount at 31.12.2014	Amortisation or Depreciation	Net amount at 31.12.2014	Net amount at 31.12.2013
CAPITAL ASSETS (I)				
Intangible capital assets (A)				
Concessions, patents, licences, trademarks, processes, rights and comparable items	34	27	7	10
Total A	34	27	7	10
Tangible capital assets (B)				
Land	2 635	152	2 483	2 485
Buildings	14 697	9 190	5 507	5 738
Other	235	107	128	99
Construction work in progress	60	-	60	-
Advances and down payments		-	0	52
Total B	17 627	9 449	8 178	8 374
Long-term investments (C) (1)				
Equity investments	50 298	9 927	40 371	43 627
Receivables from equity investments	1 183	-	1 183	1 003
Loans	283	-	283	303
Other (3)	919	-	919	212
Total C	52 683	9 927	42 756	45 145
Total Capital Assets (I) (A + B + C)	70 344	19 403	50 941	53 529
CURRENT ASSETS (II)				
Advances and down payments paid on orders	-	-	-	-
Receivables (2)				
Trade receivables	674	-	674	852
Other	3 195	-	3 195	2 855
Short-term investments	7 608	-	7 608	6 739
Cash	2 102	-	2 102	665
ACCRUALS				
Prepaid expenses(2)	34	-	34	23
Total Current Assets (II)	13 613	-	13 613	11 134
Unrealized foreign exchange losses (III)	-	-	-	-
Grand total (I + II + III)	83 957	19 403	64 554	64 663

(1) < 1 year	209	29
(2) > 1 year	76	69
(3) including treasury shares	907	200

LIABILITIES (in thousands of euros)	Before allocation		After allocation	
	Net amount at 31.12.2014	Net amount at 31.12.2013	Net amount at 31.12.2014(a)	Net amount at 31.12.2013 (b)
EQUITY (I)				
Capital	31 838	31 838	31 838	31 838
Paid-in capital	-	-	-	-
Revaluation adjustments	-	-	-	-
Reserves:				
. Legal reserve	3 184	3 184	3 184	3 184
. Other	12 463	12 463	12 065	12 463
Retained earnings	864	2 206	-	846
Net income (loss) of period	375	277	-	-
Subtotal: net position	48 724	49 968	47 087	48 331
Investment grant	1	3	1	3
Regulated provisions	3 123	2 872	3 123	2 872
Total Equity (I)	51 848	52 843	50 211	51 206
PROVISIONS (II)				
Contingency provisions	-	-	-	-
Loss provisions	10 698	8 889	10 698	8 889
Total Provisions (II)	10 698	8 889	10 698	8 889
LIABILITIES (III) (1)				
Loans and debt with lending institutions (2)	4	3	4	3
Other borrowing and financial debt	391	389	391	389
Advances and down payments received on current orders	-	-	-	-
Trade payables	183	188	183	188
Tax and welfare liabilities	573	583	573	583
Liabilities on fixed assets and related accounts	5	2	5	2
Other liabilities	834	1 747	2 471	3 384
Prepaid income	18	19	18	19
Total Liabilities (III)	2 008	2 931	3 645	4 568
Unrealized foreign exchange gains (IV)	-		-	-
Grand total (I + II + III +IV)	64 554	64 663	64 554	64 663

(1) > 1 year	401	462	401	462
< 1 year	1 607	2 469	3 244	4 106
(2) including cash credits and bank balances	4	3	4	3

a) After appropriation submitted to the Combined Annual and Extraordinary General Meeting of 18 June 2015.

b) After appropriation decided by the Combined Annual and Extraordinary General Meeting of 19 June 2014.

2014 income statement

INCOME STATEMENT (in thousands of euros)	2014	2013
OPERATING REVENUE (I)		
Rendering of services	3 337	2 665
Net turnover	3 337	2 665
Other income	450	457
Total operating revenue (I) (1)	3 787	3 122
OPERATING EXPENSES (II)		
Other purchases and external charges	1 514	871
Taxes	513	532
Wages and salaries	671	652
Social security charges	318	299
Amortisation expenses on fixed assets	262	260
Depreciation expenses on fixed assets	-	-
Other charges	80	60
Total operating expenses (II) (2)	3 358	2 674
1 - OPERATING INCOME/(LOSS) (I - II)	429	448
FINANCIAL INCOME (III)		
From minority interests (3)	3 205	2 054
Other interests and comparable income (3)	168	192
Excess provisions charged and expense transfers	-	-
Foreign exchange gains	-	-
Total financial income (III)	3 373	2 246
FINANCIAL EXPENSES (IV)		
Amortisation and depreciation expenses	3 255	1 675
Interest expense (4)	-	-
Foreign exchange losses	-	-
Total finance costs (IV)	3 255	1 675
2 - RESULTS OF OPERATIONS (III - IV)	118	571
3 - OPERATING INCOME/(LOSS) (I - II) + (III - IV)	547	1 019
UNUSUAL GAINS (V)		
Unusual gains in operations	113	18
Unusual gains from sales of assets and other capital transactions	18	1 401
Excess provisions charged and expense transfers	47	111
Total unusual gains (V)	178	1 530
UNUSUAL EXPENSES (VI)		
Unusual expenses in operations	63	19
Unusual expenses from sales of assets and other capital transactions	1	1 404
Unusual amortisation and provisions expenses	2 107	1 465
Total unusual expenses (VI)	2 171	2 888
4 - UNUSUAL ITEMS (V - VI)	(1 993)	(1 358)
Income tax (VII)	(1 821)	(616)
Total income (I + III + V)	7 338	6 898
Total expenses (II + IV + VI + VII)	6 963	6 621
PROFIT	375	277

(1) including operating revenue relating to prior periods	(15)	(15)
(2) including operating expenses relating to prior periods	(30)	(30)
(3) including income concerning affiliated companies	3 217	2 069
(4) including interest concerning affiliated companies	-	-

Cash flow statement 2014

CASH FLOWS (in thousands of euros)	2014	2013
OPERATING ACTIVITIES		
Net income (loss)	375	277
Elimination of expenses and income not affecting cash or relating to operations		
- Amortisation and depreciation	3 517	1 937
- Provisions	2 060	1 352
- Capital gains, net of taxes	23	2
Cash flows from operations	5 975	3 568
- Change in inventories	-	-
- Change in clients	178	(754)
- Change in suppliers	(5)	90
- Other variations	(1 275)	(681)
Change in working capital requirement	(1 102)	(1 345)
NET CASH FLOWS FROM OPERATING ACTIVITIES	4 873	2 223
INVESTING ACTIVITIES		
- Acquisitions of intangible and tangible capital assets	(116)	(127)
- Acquisitions of and increases in financial assets	(890)	(3 284)
Subtotal	(1 006)	(3 411)
- Disposals of intangible and tangible capital assets	28	1 401
- Sales of and reductions in financial assets	24	16
Subtotal	52	1 417
Net investments of period	(954)	(1 994)
Change in working capital requirement	3	(3)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(951)	(1 997)
FINANCING ACTIVITIES		
- Capital increases /(reductions)	-	0
- Dividends allocated to the company's shareholders	(1 619)	(1 637)
-Other distributions	-	-
Total	(1 619)	(1 637)
- Changes in loans and financial liabilities	2	(168)
- Change in working capital requirement	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	(1 617)	(1 805)
NET CHANGE IN CASH POSITION	2 305	(1 579)
Cash position on opening	7 401	8 980
Cash position on closing	9 706	7 401
	2 305	(1 579)

Notes to the individual financial statements at 31 December 2014

These notes supplement and comment on the balance sheet prior to appropriation for period ending 31 December 2014, totalling 64,553,684.59 euros, and the period's income statement, presented in report form, which totals 7,337,828.33 euros and shows a profit of 375,269.16 euros.

Notes 1 to 19 hereafter form an integral part of the annual financial statements (unless otherwise specified, all amounts are stated in thousands of euros).

The financial year is 12 months long and runs from 1 January 2014 to 31 December 2014.

These annual financial statements were drawn up by the Board of Directors on 14 April 2015.

Note 1 : Accounting principles and rules for establishing the annual financial statements

The annual financial statements of Gévelot S.A. have been prepared in accordance with ANC regulation n° 2014-03 of 5 June 2014.

a) Main methods used

Intangible capital assets

Intangible capital assets comprise software, which is amortised using the straight-line method over 3 to 15 years.

Tangible capital assets

Tangible capital assets are measured at their acquisition cost (purchase price plus costs excluding borrowing costs), except for assets acquired prior to 31 December 1976, which have been revalued in accordance with the law.
Since 1 January 2005, the company applied the regulations on assets with regard to the amortisation, depreciation (CRC regulation 2002-10) definition, measurement and recognition thereof (CRC regulation 2004-06).
Gévelot S.A., by way of exception to the general retrospective principle, has thus adopted the approach known as « reallocation of net carrying amounts », in accordance with the first-time adoption provisions of the new rules.
Impairment amortisation is calculated by the straight-line method according to the expected estimated useful life: it is based on the acquisition amount less the estimated residual value at the end of estimated useful life.

Estimated useful lives:
- office space : straight-line, 40 years,
- industrial buildings : straight-line, 50 years
- other tangible capital assets : straight-line, 5 to 20 years.

Any components of the above and the methods applied are specified below :
- Buildings
    - Structural work : straight-line, 40 and 50 years
    - Fit-outs and conversions: straight-line, 20 to 30 years
    - Façade rendering : straight-line, 10 years
    - Weatherproofing : straight-line, 20 years

Impairment of assets

If there is any indication that an asset or group of assets has lost value, an impairment test is performed. An asset or group of assets is impaired if its net carrying amount exceeds its current value.

The current value of asset or group of assets is the higher of the value of its net selling price and that of the future economic benefits expected to be derived from use thereof.

Equity Investments

Equity Investments are recognised at acquisition cost or their contribution value, barring statutory revaluation.
The carrying amount is compared with the share of equity held in the company concerned.
If this share is lower than the carrying amount, an additional analysis is carried out to estimate the value in use of the equity interest according to its rate of return and future prospects. If the value in use thus measured is lower than the carrying amount of the equity interest in question, the difference between these two values is written down.

Other long-term investments

The treasury shares held by Gévelot S.A. as of December 31, 2014, amounted to 11,459 shares representing 1.26% of its share capital, including 7,757 shares which have been acquired under the authorisation granted by the Combined General Meeting of June 19, 2014. They will be cancelled in accordance with the decision of this Combined General Meeting.

Since treasury shares are to be cancelled, no depreciation should be recorded.

Information on treasury shares at the close of the last two financial years:

	2014	2013
Number of shares *(percentage of share capital)*	11,459 *(1,26%)*	3,702 *(0.41%)*
Weighted average cost basis	€ 79.18	€ 54.03
Average share price (December)	€ 128.78	€ 60.48
Gross book value	M€ 0.9	M€ 0.2
Net book value	M€ 00.9	M€ 0.2

Other asset components

On closing, the net carrying amount of asset components other than intangible and tangible capital assets is compared with their current value on the same date.
If this value is lower than the carrying amount, the difference is written down.

Short-term investments

These are measured at acquisition cost. If their liquidation or probable selling value on closing is lower, the difference is written down.
The market value of short-term investments at 31 December 2014, comprising bank term deposits, totals € 7.6 million.

Investment grants

Investment grants are recorded at the date of the grant on the liability side of the balance sheet, in the item « Investment grants" which is part of equity. They are recorded as extraordinary result at the same rate as the allowances to amortizations on fixed assets, which they have contributed to finance.
Partial grants are reversed by an amount equal to the taxable amortisation expense allocated to the asset grant portion of the grant.

Regulated provisions

The regulated provisions stated in the balance sheet are capital cost allowances on intangible and tangible capital assets. They are offset in the income statement as unusual expenses and gains.
Derogatory amortizations are mainly the result of a duration differential.

Provisions

Provisions cover specifically identified contingencies and losses identified in accordance with the general chart of accounts.

b) Tax Integration

Since 1 January 1995, Gévelot S.A has opted for a group taxation system whereby it is liable for tax on the group's income. Under tax integration agreements entered into with consolidated companies, each Company recognises the income tax expense as if there were no tax integration in place.
The Group comprises the Parent Company, Gévelot S.A., "head of group" and French subsidiaries: Gévelot Extrusion, PCM and Gurtner.

Its income net of tax of K€ 1,821 includes:

- Gévelot S.A.'s income tax	- 254 K€
- tax income relating to entities included in the Group's tax integration system	+ 2,075 K€

Furthermore, an intra-group additional provision of K€ 1,809 was recognised at 31 December 2014 for the probable return of the tax saving to the subsidiaries as part of this system.

c) Pensions

When employees retire, they are paid conventional or contractual retirement benefits. Most of the corresponding obligations are covered by insurance. The residual portion that is not covered is not recognised and is therefore stated as an off-balance sheet commitment.

d) Individual training entitlements

Further to Notice 2004-F of 13 October 2004 of the CNC Emergency Committee on the recognition of individual training entitlements, Gévelot has not recognised any such liabilities at 31 December 2014.
There are 478 hours of accumulated training hours in this respect. Since no requests for these hours have been made, no provision in that respect had been funded at the end of 2014.

e) Further information and events after the closing date

In late June 2014, the Board of Directors agreed to better negociate the release of Gurtner from the Group's perimeter.
The transfer of Gurtner was finalised on 25 February 2015, with effect from 1 January 2015 for a value close to that featured in the financial statements of Gévelot SA.

During the first quarter of 2015, 5,000 shares were acquired under the share redemption programme at an average price of 125.00 euros.
Overall, at the end of March 2015, 16,459 shares were held in treasury at an overall average price of 93.10 euros.

Note 2 : Capital assets and amortisation

Headings and items	Capital assets					Amortisation and depreciation			
	Gross value at the start of FY 2014	Increases	Transfers	Reductions	Gross value at the end of FY 2014	Accumulated at the start of 2014	Increases	Reductions	Accumulated at the end of 2014
Intangible capital assets									
Concessions, patents, licences,	-	-	-	-	-	-	-	-	-
trademarks, processes	-	-	-	-	-	-	-	-	-
rights and similar items	34	-	-	-	34	24	3		27
Total	34	-	-	-	34	24	3	-	27
Tangible capital assets									
Land	2 635	-	-	-	2 635	150	3	-	153
Buildings	14 697	-	-	-	14 697	8 959	230	-	9 189
Other tangible assets	202	55	1	(23)	235	103	26	(22)	107
Construction work in progress	-	60	-	-	60	-	-	-	-
Advances and down payments on tangible assets	52	1	(1)	(52)	-	-	-	-	-
Total	17 586	116	-	(75)	17 627	9 212	259	(22)	9 449
Long-term investments									
Minority interests	50 299	-	-	(1)	50 298	6 672	3 255	-	9 927
Receivables attached to minority interests	1 003	183	-	(3)	1 183	-	-	-	-
Loans	303	-	-	(20)	283	-	-	-	-
Other long-term investments	212	707 *	-	-	919	-	-	-	-
Total	51 817	890	-	(24)	52 683	6 672	3 255	-	9 927

(*) During the 2014 financial year, Gévelot S.A. has bought back 7,757 of its own shares for a total amount of K€ 707, bringing thus the total amount of treasury shares held to 11,459.

On December 31, 2014 Land and Buildings corresponded to buildings intended for the use of offices for K€ 3,135 or industrial centres for K€ 4,855 occupied by Gévelot S.A. or provided to its subsidiaries or Third parties.

In accordance with the principle stated in Note 1, Gévelot S.A. compared the book value of the Equity Securities to the proportionate share of the equity of the concerned companies or to the value in use as the case may be. This analysis led to record a depreciation by € 3,3 million on Gévelot Extrusion's securities. Receivables related to shareholdings correspond to the current account with Gévelot Extrusion. The amount consists of an additional cash advance for € 1,0 million.

Note 3 : Provisions

Headings and items	Amount at the start of 2014	Increases	Reductions: Amount used during FY 2014	Reductions: Amount not used during FY 2014	Amount at the end of 2014
Regulated provisions					
Capital cost allowances	2 872	298	(47)	-	3 123
Total	2 872	298	(47)	-	3 123
Contingency provisions					
Provisions for litigation	-	-	-	-	-
Total	-	-	-		-
Loss provisions					
Intercompany provision for tax refund					-
deemed likely under the fiscal integration system	8 689	1 809	-	-	10 498
Provision for taxes	200	-	-	-	200
Total	8 889	1 809		-	10 698
Depreciation					
Depreciation on fixed assets	-	-	-	-	-
Depreciation on short-term investments	-	-	-	-	-
Other depreciation	-	-	-	-	-
Total	-	-	-	-	-

Note 4 : Maturity of receivables and liabilities

Headings and items	Gross amount at 31.12.2014	Maturing in 1 year max	Maturing in over 1 year
Receivables			
Receivables on capital assets			
Receivables from equity investments	1 183	183	1 000
Loans (1)	283	26	257
Other	919	-	919
Receivables from current assets			
Trade receivables (2)	674	674	-
Other	3 195	3 127	68
Subscribed called-up capital not paid up	-	-	-
Prepaid expenses	34	26	8
Total	6 288	4 036	2 252
Liabilities			
Loans and debt from lending institutions (3) (4)	4	4	-
Other borrowing and financial debt (3) (5)	391	-	391
Trade payables (6)	183	173	10
Tax and welfare liabilities	573	573	-
Liabilities to fixed-asset suppliers (6)	5	5	-
Other liabilities (7)	834	834	-
Prepaid income	18	18	-
Total	2 008	1 607	401

(1) Loans granted in period	-
Loans recovered in period	20
(2) Including commercial paper	-
(3) Loans and financial liabilities taken out in period	7
Loans repaid and transferred in period	4
(4) including :	
- no more than two years initially	4
- over two years initially	-
(5) Liabilities maturing in over 5 years	391
(6) Including commercial paper	-
(7) Including to partners	-

Note 5 : Items concerning affiliated companies

Items	Net amount at 31.12.2014
Advances and down payments on fixed assets	
Equity interests	40 371
Receivables from equity investments	1 183
Loans	-
Advances and down payments paid on orders (current assets)	-
Trade receivables	640
Other receivables	-
Subscribed called-up capital not paid up	-
Loans and debt from lending institutions	-
Other borrowing and financial debt	374
Advances and down payments received on current orders	-
Trade payables	-
Fiscal and welfarre liabilities	-
Liabilities to fixed-asset suppliers	-
Other liabilities	833
Rendering of services	3 255
Other operating income	433
Other purchases and external charges	22
Other operating expenses	80
Income from equity interests	3 205
Other financial income	12
Financial costs	-

Affiliates: These are companies that are fully consolidated, controlled entities under joint control and notable influence and company managers and the companies they control as well as close family members.

Note 6 : Revaluation

Items	Changes in revaluation reserve at 31.12.2014				
	Amount at the start of 2014	Reductions due to disposals	Other changes	Amount at the end of 2014	For the record, differences incorporated into capital
Land	-	-	-	-	-
Equity interests	-	-	-	-	2 222
Revaluation reserve (1976)	-	-	-	-	(2 222)
Special revaluation reserve (1959)	-	-	-	-	(431)
Free revaluation adjustment	-	-	-	-	-
Other adjustments: revaluation adjustments on capped assets	-	-	-	-	-
Total	-	-	-	-	

Note 7 : Accrued income

Amount of accrued income included in the following balance sheet items	Amount at 31.12.2014
Receivables from equity investments	3
Trade receivables	122
Other receivables	5
Short-term investments	85
Total	215

Note 8 : Accrued liabilities

Amount of accrued liabilities included in the following balance sheet items	Amount at 31.12.2014
Loans and liabilities with lending institutions	-
Trade payables	61
Trade and welfare liabilities	410
Total	471

Note 9 : Prepaid expenses and income

Amount at 31.12.2014

	Expenses	Income
Expenses / Operating revenue	34	18
Expenses / Financial income	-	-
Expenses / Unusual gains	-	-
Total	34	18

Note 10 : Composition of the share capital

	Number	Par value
Shares making up the share capital at the start of financial year 2014	909 666	35,00
Shares issued during the period	-	-
Shares repaid during the period	-	-
Shares cancelled during the period	-	-
Change in par value through incorporation of reserves	-	-
Shares making up the share capital at the end of financial year 2014	909 666	35,00

Making a share capital of 31,838,310 euros.

Note 11 : Statements of changes in net worth

Equity in the closing balance sheet for period 2013 prior to income		52 566
Appropriation of 2013 income at net worth by the Combined General Meeting of 19 June 2014		(1 360)
. 2013 Income	277	-
. Dividends paid	(1 637)	-
Equity on opening of period 2014		51 206
Changes in period :		267
. Changes in premiums, reserves, retained earnings	18	-
. Changes in regulated provisions and investment grants	249	-
. Cancellation of treasury shares	-	-
Equity in the closing balance sheet for period 2014 prior to income		51 473

Note 12 : Breakdown of net turnover

a) Breakdown by business segment

	Amount 2014	Amount 2013
Rents	1 565	1 514
Services	1 772	1 151
Total	3 337	2 665

b) Breakdown by geographical segment

	Amount 2014	Amount 2013
France	3 323	2 652
Germany	14	13
Total	3 337	2 665

Note 13 : Unusual items

The main items included under this heading are:

Headings	Amount 2014	Amount 2013
Intercompany provision for probable refund of tax savings to fully consolidated companies	(1 809)	(860)
Capital cost allowances	(251)	(292)
Unusual amortisations	-	(2)
Provision for taxes	-	(200)
Property taxes	25	-
Disposals gains/(losses)	15	(3)
Payment if Generali funds	(35)	-
Activation of lift costs	57	-
Other items, net	5	(1)
Total	(1 993)	(1 358)

Note 14 : Income tax

Breakdown of income tax between operating income and unusual gains/losses is the following:

Headings	Pre-tax income (loss) at 31.12.2014	Amount of income tax 2014	Net income (loss) at 31.12.2014
Operating income	547	267	280
Unusual gains/losses	(1 993)	(61)	(1 932)
Additional contribution on amounts paid out		48	-48
Effect on consolidation for tax purposes	-	(2 075)	2 075
Total	(1 446)	(1 821)	375

The tax rate is 33 1/3 %.

The effect on the period's taxes of dispensatory tax assessments due to capital cost allowances is K€ 83 (income).

Increase and decrease in the future tax debt.
The future tax debt will be K€ 1 041 higher due to the reversal of capital cost allowances for € 3,123 million.

Note 15 : Off-balance sheet commitments

	Amount at 31.12.2014
Contractual obligations:	
Liabilities for which the company has granted a guarantee	-
- on its own loans	-
- on loans taken out by subsidiaries	596
Leasing commitments including tax	2 000
Retirement commitments	28
Total	2 624
Commitments received:	-
Other	-
Total	-

Leasing commitments:

Headings	Real estate property	Total at 31.12.2014
Original values before tax	1 400	1 400
Amortisations		
Prior fiscal years-to-date		-
Allowances of the fiscal year		-
Total	-	-
Fees paid before tax		
Prior fiscal years-to-date		-
Fiscal year	117	117
Total	117	117
Fees remaining due before tax		
At one year max.	117	117
At more than one year and 5 years max.	469	469
At more than 5 years	941	941
Total	1 527	1 527
Residual values before tax		
At one year max.		-
At more than one year and 5 years max.		-
At more than 5 years	140	140
Total	140	140
Net charge for the fiscal year	117	117

Retirement commitments (I.F.C.)

Retirement commitments are calculated for each category of staff: clerical, executive, according to length of service and average salary, social security charges included, using the method called ""projected benefit obligation", in accordance with CNC Recommendation 2013-02 dated 7 november 2013.

The figure used (K€ 28) equals the IFC social liability (K€ 224) less the value of the fund at 31 December 2014 (K€ 196) held by Generali Patrimoine (Groupe Generali) under a contract that permits some of these commitments to be outsourced.

Note 16 : Managers' remuneration

Remuneration of the company's managers and directors totalled 483,260 euros for financial year 2014.

Note 17 : Average headcount 2014

	Salaried staff	Staff put at the disposal of the company
Managerial / executive staff	5	-
Supervisory, technical and clerical staff	2	-
Total	7	-

Note 18 : Consolidating company

Gévelot S.A. is the consolidating company of the Gévelot Group.

Note 19 : Subsidiaries and minority interests at 31 December 2014

Companies	Capital	Equity other than capital prior to appropriation of income	Percentage of capital held (1)	Carrying amount of equity interests		Loans and advances granted by the company and not yet repaid	Guarantees and pledges given by the company	Turnover excluding tax of the last complete period	Profit or loss of the last complete period	Dividends received by the company during the period
				Gross	Net					
A - SUBSIDIARIES (at least 50 % of the capital held by the company)										
French subsidiaries										
Gévelot Extrusion S.A. 6, boulevard Bineau 92300 Levallois-Perret	18 120	355	99,99	25 397	15 470	1 003	-	64 197	(4 181)	-
PCM S.A. 6, boulevard Bineau 92300 Levallois-Perret	10 155	45 947	99,94	6 511	6 511	-	-	55 736	77 550	1 502
Gurtner S.A. 40, rue de la Libération 25300 Pontarlier	3 090	3 377	99,95	1 225	1 225	-	-	12 158	(489)	1 003
Foreigh subsidiaries (in thousands of euros)										
Dold Kaltfliesspressteile GmbH Langenbacherstrasse 17/19 D-78147 Vöhrenbach (Germany)	13 000	7 162	100,00	17 165	17 165	-	-	48 662	2 536	700
B - MINORITY INTERESTS (10 to 50 % of the capital held by the company)	-	-	-	-	-	-	-	-	-	-

(1) Including consumption loans

Income and net worth

Net income (loss) of period and statement of changes in net worth

Net income (loss) of period

Total in thousands of euros and in euros per share		2014	2 013
Number of shares at 31 December		909 666	909 666
Accrual-based income	K€	375	277
	€	0,41	0,30
Changes in net worth excluding restructuring transactions	K€	267	291
	€	0,29	0,32
Proposed dividend	K€	1 637	1 637
	€	1,80	1,80

Statement of changes in net worth

(in thousands of euros)

Equity in the closing balance sheet of 2013 prior to income		52 566
Appropriation of 2013 income at net worth by the Combined General Meeting of 19 June 2014		(1 360)
. 2013 income / (loss)	277	
. Dividends paid	(1 637)	
Equity at the start of 2014		51 206
Period change :		267
. Changes in premiums, reserves, retained earnings	18	
. Changes in regulated provisions and investment grants	249	
. Cancellation of treasury shares	-	
Equity in the closing balance sheet of 2014 prior to income		51 473
Appropriation of 2014 income at net worth submitted to the Combined General Meeting of 18 June 2015		(1 262)
. 2014 income / (loss)	375	
. Proposed dividends	(1 637)	
Equity after proposed appropriation		50 211

Financial income

The Company's financial income over the last five periods

(Articles 133, 135 and 148 of the Decree on companies)

(in euros)

Item	2014	2013	2012	2011	2010
I - CAPITAL AT THE END OF PERIOD			(**)	(*)	
a) share capital	31 838 310,00	31 838 310,00	31 838 310,00	31 925 810,00	33 514 005,00
b) number of existing ordinary shares	909 666	909 666	909 666	912 166	957 543
c) number of existing preferential dividend shares (without voting rights)	-	-	-	-	-
d) Maximum number of future shares to be created					
d.1 through bond conversion	-	-	-	-	-
d.2 by exercising subscription rights	-	-	-	-	-
II - PERIOD TRANSACTIONS AND INCOME (LOSS)					
a) Turnover excluding tax	3 337 180,42	2 665 463,40	3 177 290,37	3 493 548,36	3 414 515,15
b) Earnings before tax, employee profit-sharing, amortisation and provisions	4 129 385,78	2 949 841,22	7 193 177,45	3 051 508,72	2 723 935,61
c) Income tax	(1 820 881,00)	(616 963,00)	601 839,00	825 836,00	147 908,00
d) Employee profit-sharing in period					-
e) Earnings after tax, employee profit-sharing, amortisation and provisions	375 269,16	277 367,33	53 108,48	2 450 918,57	1 798 442,08
f) Distributed earnings	1 637 398,80	1 619 020,80	1 637 398,80	1 637 398,80	1 632 898,80
III - EARNINGS PER SHARE					
a) Earnings after tax, employee profit-sharing, but before amortisation and provisions	6,54	3,92	7,25	2,44	2,69
b) Earnings after tax, employee profit-sharing, amortisation and provisions	0,41	0,30	0,06	2,69	1,88
c) Dividend allocated to each share	1,80	1,80	1,80	1,80	1,80
IV - PERSONNEL					
a) Average headcount of personnel employed during the period	7	7	7	6	7
b) Total payroll	671 467,28	651 781,65	635 543,62	602 810,92	690 344,64
c) Amounts paid out for the period's employee benefits (social security, community services, etc.)	318 070,31	299 317,51	298 737,69	277 779,01	297 876,39

(*) Further to the decision of the Board of Directors of 14 April 2011 and under the autorisation given by the Combined Annual and Extraordinary General Meeting of 25 June 2009, a capital reduction of € 1,588,195 through cancellation of the 45,377 treasury shares held by Gévelot S.A..

At the end of 2011, the share capital thus stands at € 31,925,810 comprising 912,166 shares each with a par value of € 35.

(**) In accordance with the eleventh resolution of the Combined Annual and Extraordinary General Meeting of 15 June 2012, a capital reduction of € 87,500 through cancellation of the 2,500 treasury shares held by Gévelot S.A..

At the end of 2012, the share capital thus stands at € 31,838,310 comprising 909,666 shares each with a par value of €35.

RAPPORT DES COMMISSAIRES AUX COMPTES
SUR LES COMPTES ANNUELS

Exercice clos le 31 décembre 2014

Aux Actionnaires
Gévelot SA
6, boulevard Bineau
92300 Levallois-Perret

En exécution de la mission qui nous a été confiée par votre Assemblée Générale, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2014, sur :

- le contrôle des comptes annuels de la société Gévelot SA, tels qu'ils sont joints au présent rapport,
- la justification de nos appréciations,
- les vérifications et informations spécifiques prévues par la loi.

Les comptes annuels ont été arrêtés par le Conseil d’administration. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I - Opinion sur les comptes annuels

Nous avons effectué notre audit selon les normes d’exercice professionnel applicables en France; ces normes requièrent la mise en œuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes annuels ne comportent pas d'anomalies significatives. Un audit consiste à vérifier, par sondages ou au moyen d’autres méthodes de sélection, les éléments justifiant des montants et informations figurant dans les comptes annuels. Il consiste également à apprécier les principes comptables suivis, les estimations significatives retenues et la présentation d'ensemble des comptes. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l’exercice écoulé ainsi que de la situation financière et du patrimoine de la société à la fin de cet exercice.

II - Justification de nos appréciations

En application des dispositions de l'article L.823-9 du Code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance l’élément suivant :

Votre Société détermine à chaque clôture la valeur d’inventaire de ses participations selon les méthodes décrites en note N°1a de l’annexe. Elle constitue, le cas échéant, une dépréciation lorsque cette valeur d’inventaire est inférieure à la valeur comptable.

Dans le cadre de notre appréciation des principes comptables suivis et des estimations significatives retenues pour l’arrêté des comptes, nous avons vérifié le caractère approprié des méthodes décrites dans l’annexe et nous nous sommes assurés de leur correcte application ainsi que du caractère raisonnable des estimations retenues pour leur mise en œuvre.

Les appréciations ainsi portées s’inscrivent dans le cadre de notre démarche d’audit des comptes annuels, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion, exprimée dans la première partie de ce rapport.

III - Vérifications et informations spécifiques

Nous avons également procédé, conformément aux normes d’exercice professionnel applicables en France, aux vérifications spécifiques prévues par la loi.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du Conseil d’administration et dans les documents adressés aux actionnaires sur la situation financière et les comptes annuels.

En application de la loi, nous nous sommes assurés que les diverses informations relatives à l’identité des détenteurs du capital ou des droits de vote vous ont été communiquées dans le rapport de gestion.

Fait à Neuilly-sur-Seine et Paris, le 29 avril 2015
Les Commissaires aux Comptes

PricewaterhouseCoopers Audit
Yan RICAUD

CREA
Bernard ROUSSEL

RAPPORT SPECIAL DES COMMISSAIRES AUX COMPTES SUR LES CONVENTIONS REGLEMENTEES

Exercice clos le 31 décembre 2014

Aux Actionnaires
Gévelot SA
6, boulevard Bineau
92300 Levallois-Perret

En notre qualité de commissaires aux comptes de votre société, nous vous présentons notre rapport sur les conventions réglementées.

Il nous appartient de vous communiquer, sur la base des informations qui nous ont été données, les caractéristiques et les modalités essentielles des conventions dont nous avons été avisés ou que nous aurions découvertes à l'occasion de notre mission, sans avoir à nous prononcer sur leur utilité et leur bien-fondé ni à rechercher l'existence d'autres conventions. Il vous appartient, selon les termes de l'article R. 225-31 du code de commerce, d'apprécier l'intérêt qui s'attachait à la conclusion de ces conventions en vue de leur approbation.

Par ailleurs, il nous appartient, le cas échéant, de vous communiquer les informations prévues à l'article R.225-31 du Code de commerce relatives à l'exécution, au cours de l'exercice écoulé, des conventions déjà approuvées par l'assemblée générale.

Nous avons mis en œuvre les diligences que nous avons estimé nécessaires au regard de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette mission.

CONVENTIONS SOUMISES A L'APPROBATION DE L'ASSEMBLEE GENERALE

Nous vous informons qu'il ne nous a été donné avis d'aucune convention autorisée au cours de l'exercice écoulé à soumettre à l'approbation de l'assemblée générale en application des dispositions de l'article L. 225-38 du code de commerce.

CONVENTIONS DEJA APPROUVEES PAR L'ASSEMBLEE GENERALE

Nous vous informons qu'il ne nous a été donné avis d'aucune convention déjà approuvée par l'assemblée générale dont l'exécution se serait poursuivie au cours de l'exercice écoulé.

Fait à Neuilly-sur-Seine et Paris, le 29 avril 2015
Les Commissaires aux Comptes

PricewaterhouseCoopers Audit	**C.R.E.A.**
Yan RICAUD	Bernard ROUSSEL

RAPPORT DES COMMISSAIRES AUX COMPTES
SUR L'AUGMENTATION DU CAPITAL RESERVEE AUX SALARIES

Assemblée Générale Mixte du 18 juin 2015

(Neuvième résolution)

Aux Actionnaires
Gévelot SA
6, boulevard Bineau
92300 Levallois-Perret

En notre qualité de commissaires aux comptes de votre Société et en exécution de la mission prévue par les articles L. 225-135 et suivants du Code de commerce, nous vous présentons notre rapport sur le projet d'augmentation du capital par émission d'actions ordinaires avec suppression du droit préférentiel de souscription de 350 000 €, réservée aux salariés adhérents d'un plan d'épargne d'entreprise de votre société, opération sur laquelle vous êtes appelés à vous prononcer.

Cette augmentation du capital est soumise à votre approbation en application des dispositions des articles L. 225-129-6 du code de commerce et L. 3332-18 et suivants du Code du travail.

Votre Conseil d'Administration vous propose, sur la base de son rapport, de lui déléguer pour une durée de douze mois le pouvoir de fixer les modalités de cette opération et de supprimer votre droit préférentiel de souscription aux actions à émettre.

Il appartient au Conseil d'Administration d'établir un rapport conformément aux articles R. 225-113 et R. 225-114 du Code de commerce. Il nous appartient de donner notre avis sur la sincérité des informations chiffrées tirées des comptes, sur la proposition de suppression du droit préférentiel de souscription, et certaines autres informations concernant l'émission, données dans ce rapport.

Nous avons mis en œuvre les diligences que nous avons estimé nécessaires au regard de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette mission. Ces diligences ont consisté à vérifier le contenu du rapport du Conseil d'Administration relatif à cette opération et les modalités de détermination du prix d'émission des actions.

Sous réserve de l'examen ultérieur des conditions de l'augmentation du capital proposée, nous n'avons pas d'observation à formuler sur les modalités de détermination du prix d'émission des actions ordinaires à émettre données dans le rapport du Conseil d'Administration.

Les conditions définitives de l'augmentation du capital n'étant pas fixées, nous n'exprimons pas d'avis sur celles-ci et, par voie de conséquence, sur la proposition de suppression du droit préférentiel de souscription qui vous est faite.

Conformément à l'article R. 225-116 du Code de commerce, nous établirons un rapport complémentaire lors de l'utilisation de cette délégation par votre Conseil d'Administration.

Neuilly-sur-Seine et Paris, le 29 avril 2015

Les Commissaires aux Comptes

PricewaterhouseCoopers Audit
Yan RICAUD

C R E A
Bernard ROUSSEL

Resolutions

submitted to the Combined Annual and Extraordinary General Meeting of 18 June 2015

I – ORDINARY RESOLUTIONS

First Resolution

The General Meeting, having listened the Management Report from the Board of Directors and the Report from Statutory Auditors, approves these Reports in their entirety, as well as the annual Corporate Financial Statements 2014, showing a net profit of € 375,269.16.

Second Resolution

The General Meeting, having considered the Reports from the Board of Directors and Statutory Auditors, approves the annual Consolidated Accounts as presented, and showing for the fiscal year 2014 a consolidated profit, Group Share, of M€ 66.9.

Third Resolution

The General Meeting takes note of the Special Report from Statutory Auditors on regulated Agreements and Commitments mentioned in Article L.225-38 of the Commercial Law and approves the said operations.

Fourth Resolution

The General Meeting decides to allocate
the profit for the fiscal year of ....375 269,16 €

plus the previous balance brought forward............. 863 374,04 €

constituting the distributable profit of ....1 238 643,20 €

as follows :

Deduction from
« other reserves »..................+ 398 755,60 €
Dividends............................ - 1 637 398,80 €

- 1 238 643,20 €

Balance brought forward after allocation .... 0,00 €

The dividend of € 1,80 per Share, eligible for the 40% tax allowance intended for individual beneficiaries and mentioned in Article 158.3.2 of the General Tax Code, will be distributed as from June 25, 2015. It will be paid on the basis of 909,666 Shares making up the Share capital.

Pursuant to Article 243 bis of the General Tax Code, it is recalled that the distribution of the following dividends was carried out in the past three fiscal years, these dividends being fully eligible for the 40% tax allowance mentioned in Article 158.3.2 of the General Tax Code :

Fiscal Year	Net	Tax Credit	Number of shares paid	Number of shares overall
2011	1,80	pm	909 666	912 166
2012	1,80	pm	909 666	909 666
2013	1,80	pm	899 456	909 666

Fifth Resolution

The General Meeting discharges the Directors of the execution of their Mandate for the fiscal year 2014.

Sixth Resolution

Miss Claudine BIENAIMÉ's directorship being expired, the General Meeting renews her mandate for a period of three years until the 2018 General Meeting that will be called to approve the accounts for the fiscal year 2017.

Seventh Resolution

Mr Charles BIENAIMÉ's directorship being expired, the General Meeting renews his mandate for a period of three years until the 2018 General Meeting that will be called to approve the accounts for the fiscal year 2017.

Eighth Resolution

Mr Pascal HUBERTY's directorship being expired, the General Meeting renews his mandate for a period of three years until the 2018 General Meeting that will be called to approve the accounts for the fiscal year 2017.

II – EXTRAORDINARY RESOLUTION

Ninth Resolution

Capital increase reserved for Employees

The General Meeting of Shareholders, deliberating under the quorum and majority conditions required of Extraordinary General Meetings and after reviewing the Report of the Board of Directors showing that Gévelot Employees and/or affiliated companies as defined by Article L 225-180 of the French Commercial Code at 31 December 2014 account for less than 3% of the Share Capital, and the Special Report of the Statutory Auditors and, in accordance with the French Commercial Code and notably Articles L 225-129-6 paragraphs 2, L 225-135 *et seq.* of the French Commercial Code and L 3332-18 *et seq.* of the French Labour Code:

- decides to increase the Share Capital by an amount of €350,000 through the issue of 10,000 shares of a par value of €35 reserved for Employees who are members of an Employee Share Ownership Plan to be created,

- decides that this decision amounts to the express renunciation by Shareholders of their pre-emptive subscription rights in favour of Employees who are members of an Employee Share Ownership Plan set up by Gévelot and/or its affiliated companies under the terms provided in the texts directly or through an employee mutual fund (FCPE) or an employee shareholding management company (SICAVAS),

- decides that the price of shares to be issued under this Resolution may not be either more than 20% below the average market price of the shares over the past 20 trading session preceding the Board of Directors' decision on the implementing of a capital increase and the corresponding issue of shares, or above this average amount.

The General Meeting delegates to the Board of Directors all powers to implement the capital increase under this Resolution, notably:
- to decide whether the shares must be subscribed directly by Employees who are members of the Group's ESOP or whether they must be subscribed through an employee mutual fund (FCPE) or an employee shareholding management company (SICAVAS),
- to draw up the list of beneficiaries,
- to draw up the number of new shares to be issued and the rules of reduction applicable in the event that the issue is oversubscribed,
- to subtract the capital increase costs from the amount of the premiums incurred by the capital increase,
- to modify the by-laws and, generally speaking, to take whatever measures are necessary.

This Delegation is granted for a duration of 12 months beginning with the date of this General Meeting.

III – ORDINARY RESOLUTIONS

Tenth Resolution

For all publications and filings laid down by Law and generally to fulfil all legal formalities, all powers are given to the bearers of originals, copies or extracts of these.

Public Limited Company (SA) with capital of 31 838 310 euros
Registered office, management and supervision:
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92300 Levallois-Perret
562 088 542 Trade Register Nanterre – Siret Number 562 088 542 00369

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